

A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL REGULAR MEETING
DATE: February 20, 2003
DAY: Thursday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. **INTRODUCTIONS**
2. **CITIZEN COMMUNICATIONS**
3. **METRO/AIM SCHOOL PROJECT** Whitehill-Baziuk
and Furhman
4. **VOLUNTEER PROGRAM PRESENTATION** Desmond/Kent
Hudson/West
5. **OREGON CONVENTION CENTER ADVISORY
COMMITTEE REPORT** LaCrosse
6. **CONSENT AGENDA**
- 6.1 Consideration of Minutes for the February 13, 2003 Metro Council Regular Meeting.
7. **ORDINANCES - FIRST READING**
- 7.1 **Ordinance No. 03-995**, For the Purpose of Amending the FY 2003~~2~~03 Budget and Appropriations Schedule by Transferring \$3,500,000 from Contingency to the Debt Service Account, Authorizing Defeasance of Certain Solid Waste Revenue Bonds, and Declaring an Emergency.
8. **RESOLUTIONS**
- 8.1 **Resolution No. 03-3275**, For the Purpose of Granting an Easement to Oregon Department of Transportation for Non-Park Use through Metro Property at Canemah Bluff. Monroe

9. COUNCILOR COMMUNICATION

ADJOURN

Cable Schedule for February 20, 2003 Meeting (TVTV)

	Sunday (2/9)	Monday (2/10)	Tuesday (2/11)	Wednesday (2/12)	Thursday (2/6)	Friday (2/7)	Saturday (2/8)
CHANNEL 11 (Community Access Network) (most of Portland area)						2:00 PM	
CHANNEL 30 (TVTV) (Washington County, Lake Oswego)	12:00 PM (previous meeting)			11:00 PM (previous meeting)		6:30 AM 7:00 PM 11:00 PM (previous meeting)	3:30 PM (previous meeting)
CHANNEL 30 (CityNet 30) (most of City of Portland)		2:00 PM					
CHANNEL 30 Willamette Falls Television (West Linn, Rivergrove, Lake Oswego)							
CHANNEL 23/18 Willamette Falls Television (23- Oregon City, West Linn, Gladstone; 18- Clear Creek)							
CHANNEL 23 Milwaukie Public Television (Milwaukie)			10:00 AM 9:00 PM				

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Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, 797-1542. Public Hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by email, fax or mail or in person to the Clerk of the Council. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

Consideration of Minutes of the February 13, 2003 Regular Council meeting.

**Metro Council Meeting
Thursday, February 20, 2003
Metro Council Chamber**

Agenda Item Number 5.0

Oregon Convention Center Advisory Committee Report

Metro Council Meeting
Thursday, February 20, 2003
Metro Council Chamber

**Final Report: Oregon Convention Center
Advisory Committee, 2/1/01 – 12/31/02
January 31, 2003**

Members:

Bell, George
Bledsoe, Shirley
Brooks, Sam
Burkholder, Rex
D'Alessandro, Joe
Erickson, Mary
Fisher, Mike
LaCrosse, Patrick--Chair
McCartin, Brian
Neary, Kevin
Park, Rod
Pollin, Harold
Sellers, Chuck
Soards, Roy

Staff:

Blosser, Jeff
Morrisey, Michael
Schulz, Karl
Williams, Mark
Peggy Coats

Introduction: The Oregon Convention Center has operated successfully for over a decade. In the late 90s, the Facility reached its point of maximum capacity and was in danger of losing significant business.

A second, and even a third phase was always anticipated as demand warranted. In an effort to retain its major clients, the Center and its constituents, the Visitor Association, the Lodging industry and community and government leaders, sponsored a bond measure in 1998 that, if approved, would have provided funding for Phase two of the Convention Center.

That measure failed at the ballot as part of a wave of defeats that year. The Tri County Lodging Association seized the moment and proposed that a 2.5% increase be approved to the existing Multnomah County Hotel tax resulting in an 11.5% hotel tax. At the same time, an increase was proposed to the County Car Rental tax in an amount of 2.5%. These proposals were debated at some length, analyzed as to bonding, discussed with all of the relevant governments including the City of Portland, Multnomah County, and Metro.

After intense, detailed negotiation, the increases were approved thus providing for funding for the Convention Center expansion along with much needed improvements to the Arts Facilities, and funding for the renovation of the former Civic Stadium.

The Visitor Development Initiative Funding Agreement is the name of the Master Agreement that spells out all of the duties and responsibilities of the Governments and the interest groups.

Containing a level of detail the Metro Counsel labeled as one of the more complex legal documents he had managed, the agreement lays out 13 different levels of funding all with conditions.

It was understood at the start, that the agreement would need to be revisited over its estimated 25 year life to update it to changing conditions.

Due to litigation and threatening ballot measures, the bond sale was delayed in the fall of 2000, and the project deferred until the Spring of 2001. The first new taxes collected under the agreement began in April, 2000 while the bond measure itself was sold later in the year.

Committee Formation: Negotiations were tense at times between Metro and the Industry. It was critical that the expansion be managed carefully and that it be on time and on budget given the shortage of dollars. At the same time, it was important to Metro that the users of the Facility including the Lodging Association and hoteliers who are major users be satisfied with the design and utility of the building.

Also, as one of the last minute cost cutting decisions in putting the final agreement together, the traditional operating subsidy for the OCC was curtailed after year 6 of the agreement. Concern was voiced at the time about the stress this may put on the expanded facility and whether it would be workable.

For these reasons, Metro Government, with the agreement of the Industry, proposed assembled an **Oregon Convention Center Advisory Committee** to work on these items.

The Metro Council passed **Resolution 01-3024A** on May 1st, 2001. It included an **Exhibit A (attached)** which outlined membership, purpose, scope of work, reporting requirements, duration, and staffing. The membership of the Committee is outlined above on the title page. The purpose and scope are stated below.

Purpose and Scope: "The purpose of the advisory committee is to provide a forum for the discussion of policy matters regarding operation and marketing and future expansion of the Oregon Convention Center. This advisory committee is not to take the place of Merc, rather, it will serve as an advisory committee to Merc and the Metro Council."

The following issues constituted the scope of work items to be addressed by the Committee:

1. Operation Support
2. Marketing allocation and strategy
3. Providing advanced notice to stakeholders regarding OCC operational needs.
4. Revenue and reinvestment issues at Merc.
5. Alternative funding mechanisms
6. Additional issue may be considered at the request of Metro Council as raised by the committee with the approval of the suitable Metro Council Committee and the Presiding Officer.

Meetings: The Committee met 5 times from September of 2001 through December of 2002. All of the meetings were held either at the Metro offices or at the Oregon Convention Center.

A number of presentations were made during the meetings followed by discussion. Two tours were conducted to view the progress on construction of the Convention Center Expansion.

The meeting dates and the conclusions from the meetings are as follows:

1. **Sept. 13, '01**
 - a. Karl Schulz gave sub bid progress report. All on schedule. Discussion of possible savings in bids.
 - b. Blosser and McCartin gave 3 part Marketing report:
 - * Discussed increased Marketing funding from project funds and also VDI marketing grant funds
 - * Detailed discussion of Business Goals with new center and negative affects of 911 and economy
 - * Detailed discussion of forecast for continuing and new business with OCC expansion.

Note— Concern strongly expressed that space is doubling but no increase in hotel space at OCC
 - c. Karl Schulz and Art Fortuna reported on food service issues, kitchen location, elevators, capacity to 7,500.
 - d. Next meeting time was set for Nov. 14 with tour of facility as first item.
2. **Nov. 14, '01**
 - a. Karl conducted a tour of the construction first part of the meeting. All were impressed.
 - b. Discussion led by Joe D'Alessandro on the drop in the industry from 911 and the economy in general
 - c. Joe led a discussion of issue of "Headquarters Hotel" and its relevance given expansion.
 - d. Group discussed inviting Portland City Finance Staff to next meeting for update of VDI fund status.
3. **Feb. 6, '02**
 - a. Ken Rust, COP, and Dave Boyer, Mult. Cty, attended and gave presentations on overall financing. Receipts were down but reserves was in good shape.
 - b. Discussion ensued about continuing negatives in tourism economy
 - c. Discussion about OCC-VDI subsidy running out in '06 and hardship on OCC at that time especially with expansion. No conclusions reached.
 - d. Discussion of Merc and OCC budgets and cuts needed to balance.
 - e. Discussion of need for reduction in Metro excise tax to lessen burden on center. No conclusions reached.
 - f. Joe D. presented on Hotel. Continuing lost business due to inadequate hotel space. Group concluded to invite PDC, Ashforth, Arena corp. to future meeting to discuss hotel need.
4. **May 15, '02**
 - a. Construction report. All permits in place. On schedule. Dollars tight. Discussed interest rates and arbitrage.
 - b. Blosser gave report on Parking at OCC and new systems. Discussion of traffic patterns and effect on expansion.

c. Joe gave report on hotel presentation he had attended with Jeff Sachs, national consultant on hotels. Discussion of continuing need for hotel notwithstanding economy. Long lead time for hotel development.

5. Dec.17, '02
- a. Joe D. began session with presentation on Jeff Sachs report on feasibility of Headquarters Hotel. Substantial discussion on hotel feasibility and preliminary conclusions that it will help other hotels due to its bringing in new business. Discussion of public financing alternatives.
 - b. The committee toured the nearly completed Center. All were impressed with quality of work and design.
 - c. The future of the committee was discussed. Councilor Burkeholder felt that the issue of the need for continuing subsidy for the OCC, discussed in Feb. meeting above, and its cessation in '06 was a critical issue that needed periodic review.
 - d. Substantial discussion ensued about the need to continue some of the policy issues noted here and in the purpose statement but with a different committee as this committee saw its role principally to assist in getting the OCC expansion completed and to review related design and finance issues.
 - e. All concluded that this group should disband and that further policy work should be assumed by an executive committee of the VDI.

Conclusion: The Oregon Convention Center Advisory Committee met 5 times during the construction of the Expansion. Two different tours of the facility at different stages were conducted. Issues of parking, kitchen facilities, internal building circulation and area traffic circulation directly affecting the building were discussed and advice given.

The Financing of the expansion was examined continuously and the financial officers of both the city and the County attended sessions and made presentations. The continuing negative economy and the fallout from 911 were examined several times. Marketing for future business was examined in detail given these conditions.

Finally, after 15 months and the successful completion of construction of the expanded center, the committee membership voted to disband but with the following, formal recommendations:

Recommendation:

The Metro Council should consult with the Visitor Development Initiative group and from its membership, form a new Executive Committee to examine the remaining critical, OCC financial and Policy issues including:

- * A Headquarters Hotel is critical to the long term health of the Convention Center and to convention business. How it is financed and how the development occurs is difficult.
- * The cessation of the VDI subsidy to the OCC operation in '06 needs to be evaluated.
- * The issue of the continuing Metro Excise Tax on the OCC and its affect on the long term health of the OCC should be examined.
- * Methods should be found to insure the long term financial and program success of the OCC.

Exhibit A
Oregon Convention Center Advisory Committee

Purpose. The purpose of the advisory committee is to provide a forum for the discussion of policy matters regarding operation and marketing and future expansion of the Oregon Convention Center. This advisory committee is not to take the place of MERC, rather it will serve as an advisory committee to MERC and the Metro Council.

2) **Membership:** The members of the Oregon Convention Center Advisory Committee include:

Tri County Lodging Association	3
Portland Oregon Visitors Association	2
Multnomah County Car Rental Industry	2
Multnomah County Commission	1
City of Portland	1
MERC	1
Citizens	3
Total	13

- a) The three representatives of the Tri County Lodging Association shall include one representative from East Multnomah County, outside the City of Portland.
 - b) The three citizen appointments shall include persons who represent groups or interests that are affected by the Oregon Convention Center. Citizen appointments will be made pursuant to Metro Code 2.19.
 - c) The MERC appointment may be staff or a commission member.
 - d) The chair of the advisory committee shall be elected by the membership, with the approval of the Metro Presiding Officer, in consultation with Metro Council.
- 3) **Scope:** After consultation with our partners the following issues could be addressed by the Oregon Convention Center Advisory Committee:
1. Operational support
 2. Marketing allocation and strategy
 3. Providing advanced notice to stakeholders regarding OCC operational needs.
 4. Performance measures for service by Metro and Merc.
 5. Revenue and reinvestment issues at Merc.
 6. Alternative funding mechanisms.
 7. Additional issues may be considered at the request of Metro Council as raised by the Committee with the approval of the suitable Metro Council Committee and the Presiding Officer.
- 4) **Reporting Structure:** The OCC Advisory Committee shall report directly to the Metro Council And provide timely reports to the Merc Commission. It shall submit a written report to the Metro Council and Merc no later than December 31, 2002.
- 5) **Duration:** The OCC Advisory Committee shall exist until December 31, 2004. The Metro Council through budget allocations and directions, must approve extensions.
- 6) **Staffing:** Metro Council resources shall staff the OCC Advisory Committee.

Agenda Item Number 7.1

Ordinance No. 03-995, For the Purpose of Amending the FY 2002-03 Budget and Appropriations Schedule by Transferring \$3,500,000 from Contingency to the Debt Service Account, Authorizing Defeasance of Certain Solid Waste Revenue Bonds; and Declaring an Emergency.

First Reading

Metro Council Meeting
Thursday, February 20, 2003
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE)	ORDINANCE NO. 03-995
FY 2002-03 BUDGET AND APPROPRIATIONS)	
SCHEDULE BY TRANSFERRING \$3,500,000)	Introduced by:
FROM CONTINGENCY TO THE DEBT)	Mark Williams, Chief Operating Officer
SERVICE ACCOUNT, AUTHORIZING)	with the concurrence of
DEFEASANCE OF CERTAIN SOLID)	David Bragdon, Council President
WASTE REVENUE BONDS, AND)	
DECLARING AN EMERGENCY)	

WHEREAS, the Metro Council has reviewed and considered the need to transfer appropriations within the FY 2002-03 Budget; and,

WHEREAS, the need for the transfer of appropriation has been justified; and,

WHEREAS, adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2002-03 Budget and Schedule of Appropriations are hereby amended as shown in the columns entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring funds from Contingency to the Debt Service Account in the Solid Waste Revenue Fund.
2. That the Chief Operating Officer is authorized to use the amended appropriation to defease the Metro Central Transfer Station Project 1990 Series A Solid Waste Disposal System Revenue Bonds due on July 1, 2003, January 1, 2004 and July 1, 2004; and the Metro Central Transfer Station Project 1993 Series A Solid Waste Disposal System Revenue Bonds due on July 1, 2003 and July 1, 2004.
3. That because this Ordinance is necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 2003.

David Bragdon, Council President

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, Metro Attorney



METRO

REQUEST FOR PUBLIC DOCUMENTS

Date _____

Name _____

Phone No. _____

Mailing Address _____
Street City State Zip

List of Records Requested for Review:

Request Filled
 Request Not Filled

Reason Request Not Filled:

Metro Contact Person _____

Request Filled By _____

CHARGES: (Fill in the Blank Boxes)

Hourly Chargeable Rate		Divided by	60 minutes	X	No. of Minutes to Fulfill Requests	=	Time Charge
							\$
		Per Copy Charge	\$.10	X	No. of Copies	=	Materials Charge
						Postage	\$
						Add Time Charge And Material Charge	TOTAL CHARGE
							\$

Payment Made by: Check Cash Invoice (Accounting will invoice only for amounts over \$25.00)

Forward a copy of this form plus payment, or Request for Invoice, to Accounting. Include departmental revenue code below

1890	010	99999	K	K	2002	K
Account	Fund	Org.	Program	Sub Code	Project	FY

**Exhibit A
Ordinance No.03-995**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
Solid Waste Revenue Fund							
	Total Personal Services	109.15	\$8,256,217	0.00	\$0	109.15	\$8,256,217
	Total Materials & Services		\$36,874,939		\$0		\$36,874,939
TOTAL REQUIREMENTS		109.15	\$45,131,156	0.00	\$0	109.15	\$45,131,156

Debt Service Account

<i>Debt Service</i>							
<i>Metro Central Financing</i>							
<i>REYBND Revenue Bond Payments</i>							
	5630 Revenue Bond Pmts-Principal		983,387		1,402,519		2,385,906
	5635 Revenue Bond Payments-Interest		1,680,564		2,097,481		3,778,045
<i>Regional Environmental Management Department</i>							
TOTAL REQUIREMENTS			\$2,663,951		\$3,500,000		\$6,163,951

Landfill Closure Account

	Total Materials & Services		\$185,000		\$0		\$185,000
	Total Capital Outlay		\$2,561,800		\$0		\$2,561,800
TOTAL REQUIREMENTS			\$2,746,800		\$0		\$2,746,800

Renewal & Replacement Account

TOTAL REQUIREMENTS			\$2,690,707		\$0		\$2,690,707
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General Account

TOTAL REQUIREMENTS			\$2,341,100		\$0		\$2,341,100
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Master Project Account

TOTAL REQUIREMENTS			\$350,000		\$0		\$350,000
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Recycling Business Assistance Account

	Total Materials & Services		\$1,024,000		\$0		\$1,024,000
	Total Capital Outlay		\$0		\$0		\$0
TOTAL REQUIREMENTS			\$1,024,000		\$0		\$1,024,000

Total Interfund Transfers			\$4,210,036		\$0		\$4,210,036
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<i>Contingency and Ending Balance</i>							
<i>CONT Contingency</i>							
	5999 Contingency						
	* Operating Account (Operating Contingency)		2,299,297		(2,299,297)		0
	* Landfill Closure Account		5,132,847		0		5,132,847
	* Renewal & Replacement Account		4,674,478		(1,200,703)		3,473,775
<i>UNAPP Unappropriated Fund Balance</i>							
Total Contingency and Ending Balance			\$27,789,558		(\$3,500,000)		\$24,289,558
TOTAL REQUIREMENTS		109.15	\$88,947,308	0.00	\$0	109.15	\$88,947,308

Exhibit B
Ordinance No. 03-995
FY 2002-03 SCHEDULE OF APPROPRIATIONS

	<u>Current</u> <u>Appropriation</u>	<u>Revision</u>	<u>Amended</u> <u>Appropriation</u>
SOLID WASTE REVENUE FUND			
Operating Account			
Operating Expenses (PS & M&S)	\$45,131,156	\$0	\$45,131,156
Subtotal	45,131,156	0	45,131,156
Debt Service Account			
Debt Service	2,663,951	3,500,000	6,163,951
Subtotal	2,663,951	3,500,000	2,663,951
Landfill Closure Account			
Materials & Services	185,000	0	185,000
Capital Outlay	2,561,800	0	2,561,800
Subtotal	2,746,800	0	2,746,800
Renewal and Replacement Account			
Capital Outlay	2,690,707	0	2,690,707
Subtotal	2,690,707	0	2,690,707
General Account			
Capital Outlay	2,341,100	0	2,341,100
Subtotal	2,341,100	0	2,341,100
Master Project Account			
Debt Service	350,000	0	350,000
Subtotal	350,000	0	350,000
Recycling Business Assistance Account			
Materials & Services	1,024,000	0	1,024,000
Capital Outlay	0	0	0
Subtotal	1,024,000	0	1,024,000
General Expenses			
Interfund Transfers	4,210,036	0	4,210,036
Contingency	12,106,622	(3,500,000)	8,606,622
Subtotal	16,316,658	(3,500,000)	16,316,658
Unappropriated Balance	15,682,936	0	15,682,936
Total Fund Requirements	\$88,947,308	\$0	\$88,947,308

All Other Appropriations Remain as Previously Adopted

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 03-995 FOR THE PURPOSE OF AMENDING THE FY 2002-03 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$3,500,000 FROM CONTINGENCY TO THE DEBT SERVICE ACCOUNT, AUTHORIZING DEFEASANCE OF CERTAIN SOLID WASTE REVENUE BONDS, AND DECLARING AN EMERGENCY.

Date: February 7, 2003

Prepared by: Douglas Anderson

BACKGROUND

On January 23, 2003, in consultation with Bond Counsel, staff determined that Metro was on a track to violate the Rate Covenant on the Solid Waste Disposal System Revenue Bonds during the current fiscal year. The Rate Covenant states, in relevant part, that:

At all times, [Metro] shall establish, levy, impose, maintain and collect fees and rates and charges for the use of the services and facilities of the system as shall be required to provide net revenues in each fiscal year which at least equal 110% of the annual debt service....

Section 702(j) of the Master Bond Ordinance, Metro Ordinance No. 89-319

The intent of the Rate Covenant is to ensure that Metro will have more than enough revenue, after meeting expenses, to pay the debt service on the bonds. This is a cushion against risk on behalf of the bond holders. The requirement to have revenues at least 10 percent above the debt service is a covenant that Metro made when the bonds were sold. The 110% figure is called the "coverage ratio" and is calculated by dividing net revenue by the amount of the debt service.

Based on current trends of receipts and expenses, staff projects that net revenue will be only 57 percent of the debt service this year. This situation is due entirely to the use of the solid waste fund balance to pay some operating expenses. For purposes of the coverage ratio, the fund balance is not defined as operating revenue. Calculation of the projected coverage ratio is shown in the following table.

FY 2002-03 Net Revenue and Debt Service Coverage

<u>Projections</u>	<u>Amount</u>
Operating Revenue	\$47,922,987
<i>less: Operating Expenditures</i>	<i>\$46,403,552</i>
<i>equals: Net Operating Revenue</i>	<i>\$1,519,435</i>
Debt Service	\$2,651,096
<i>Coverage Ratio</i>	<i>57%</i>

A similar situation exists for the requested FY 2003-04 budget submitted by the department on November 15, 2002. Calculations based on the requested budget show that next year's coverage ratio would be 8 percent.

Metro has three variables under its control for meeting the coverage ratio: Metro can *increase net revenue* by raising rates and/or reducing expenditures, or *reduce the debt service*. Metro needs net revenue of about \$2.9 million to cover 110 percent of the \$2,651,096 debt service in the current fiscal year. Based on the figures in the table above, Metro is about \$1.4 million shy of this revenue

requirement. At this point in the fiscal year, it is not feasible to raise rates, and there is limited scope for reducing expenditures by as much as \$1.4 million. Therefore, Metro must consider early retirement of some of its debt in order to have a chance at meeting the coverage this year. Because coverage is projected to be so low for FY 2003-04, the same solution should be considered for next year. The type of early retirement of debt that Metro would have to undertake is technically termed "defeasance" of the bonds.* This ordinance authorizes defeasance of three zero-coupon bonds from the 1990 issue, each with redemption value of \$1,070,000; and two bonds from the 1993 series, having principal values of \$80,000 and \$85,000 respectively. The total of bonds defeased is almost \$3.4 million.

On January 30, 2003, Bond Counsel issued a memorandum describing how the coverage calculation is affected when bonds are defeased. His opinion is based on the fact that Metro is required to make monthly deposits toward debt service payments. (Payments are actually remitted twice a year, on January 1 and July 1.) According to Bond Counsel, all monthly deposits that are due before the defeasance date are *included* as debt service in the coverage calculation. Any deposits with due dates after the defeasance are *excluded* from the coverage calculation.

In practical terms, this means that the sooner the defeasance takes place, the less revenue is required to cover the debt service. For example, if Metro defeases the July 2003 bonds in February 2003, then the deposits due for March through June can be excluded from the coverage calculation. If the defeasance occurs in March, then only the April through June deposits can be excluded. The following table shows that about \$200,000 of additional net revenue is required to cover each month that the defeasance is delayed this fiscal year.**

Effect of Delay on FY 2002-03 Net Revenue Requirements

Timing of Defeasance	Deposits Excluded from Debt Service	Annual Debt Service	Total Net Revenue Required for Coverage	Expenditure Reduction Required after Defeasance*
February	4	\$1,916,845	\$2,108,530	\$600,000
March	3	\$2,100,408	\$2,310,449	\$800,000
April	2	\$2,283,971	\$2,512,368	\$1.0 million
May	1	\$2,467,533	\$2,714,286	\$1.2 million
No defeasance	0	\$2,651,096	\$2,916,206	\$1.4 million

* Additional reductions that are needed to make up the difference between the net revenue required to meet the 110% coverage and the projected availability of \$1.5 million in revenue. See table on page 1.

It is worthy of note that defeasance essentially accelerates the payment of debt service that was scheduled to occur anyway. Therefore, the amount of the defeasance is not an increase in cost to Metro; it simply shifts the timing of payments. However, as will be seen below, this creates an issue for the management of the solid waste reserves. The actual cost of defeasance is estimated to be \$12,000 to \$25,000 depending on the markets at the time of defeasance. On advice of Metro's Financial Advisor, this ordinance amends the debt service budget by \$3.5 million to ensure there is sufficient appropriation to handle any defeasance scenario.

* "Defeasance" means to be relieved of financial and legal requirements of the bonds. In the present case, defeasance would relieve Metro from the legal obligation to cover 110 % of the full annual debt service.

** There is no similar timing issue for FY 2003-04, as long as the bonds are defeased this fiscal year.

ANALYSIS/INFORMATION

1. Known Opposition.

None.

2. Legal Antecedents.

Oregon Revised Statutes Section 294.450 provides for transfers of appropriations within a fund if such transfers are authorized by official resolution or ordinance of the local jurisdiction's governing body.

3. Anticipated Effects:

As described in "Background" above, the primary purpose of defeasing the bonds is to reduce the amount of net revenue necessary to meet the debt service coverage requirement. There are different effects for this and next fiscal year:

FY 2002-03. Defeasance, together with judicious management of expenditures through the end of the current year, should allow Metro to meet the coverage ratio in FY 2002-03. The necessary level of expenditure reduction depends on the timing of the defeasance, as shown in the table on page 2 of this staff report.

FY 2003-04. Even with defeasance, an increase in net revenue of at least \$500,000 is needed in the requested FY 2003-04 budget in order to make coverage next fiscal year. Metro will have debt service of \$635,408 even after defeasing the bonds. This remaining debt service is interest on bonds maturing after FY 2003-04 coverage of this debt service requires almost \$700,000 in net revenue, versus the \$210,000 that is in the budget submitted by the department last November. Hence the need for an increase of \$500,00 or more. The net revenue requirement may be achieved with any combination of expenditure reductions or rate increases totaling \$500,000 or more, provided that the other budget assumptions hold—in particular, the amount of tonnage realized and the price of fuel.

An important additional effect in FY 2003-04 is generated by the accelerated payment of debt—namely, the management of the solid waste reserves. As submitted, the department's proposed FY 2003-04 budget is balanced by the use of approximately \$3.9 million from the fund balance. However, the majority of funds earmarked for this purpose would instead go toward the defeasance, leaving a significant budgetary shortfall for next year. There are a number of options for managing this situation; for example (a) paying back the reserves over time, (b) reducing expenditures and/or increasing rates in FY 2003-04, or (c) accepting a lower level of reserves. In addition, a "rolling defeasance," in which debt service is paid a year in advance, should be considered. This strategy would significantly reduce the debt service that needs to be covered by operating revenue, and would allow considerable flexibility in the use of reserves to pay operating expenditures over time.

In any case, the department is on a sufficiently sound financial foundation to proceed with the defeasance at this time and decide on the management of reserves later. The discussion of options should occur during the FY 2003-04 budget hearings scheduled later this Spring.

4. Budget Impacts.

The cost of defeasing the bonds authorized by this ordinance is estimated at \$12,000 to \$25,000 (the actual cost will depend on the markets at the point of defeasance). Other budget effects have been described throughout this staff report. In summary, this ordinance authorizes the use of

approximately \$3.4 million from reserves to defease certain solid waste bonds in February or March 2003. This \$3.4 million was scheduled to be spent on debt service during the next 16 months, so it is not a "cost" to the agency in that sense. However, the expenditure of these funds *at this point in time* will require a decision on managing expenditures and reserves during FY 2003-04. Some options have been described in "Anticipated Effects" above.

RECOMMENDATION

The Chief Operating Officer recommends approval of Ordinance No. 03-995.

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Agenda Item Number 8.1

Resolution No. 03-3275, For the Purpose of Granting an Easement to Oregon Department of Transportation for Non-Park Use through Metro Property at Canemah Bluff.

**Metro Council Meeting
Thursday, February 20, 2003
Metro Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF GRANTING AN)	RESOLUTION NO. 03-3275
EASEMENT TO OREGON DEPARTMENT OF)	
TRANSPORTATION FOR NON-PARK USE)	Introduced by Mark B. Williams, interim
THROUGH METRO PROPERTY AT CANEMAH)	Chief Operating Officer with the concurrence
BLUFF)	of the Metro President

WHEREAS, Metro owns and manages property in Oregon City, Canemah Bluff area; and

WHEREAS, Oregon Department of Transportation is requesting a permanent easement on a Metro owned parcel of land to place, hang, and maintain mesh screening off the top of the cliff to help prevent rocks from falling onto Highway 99E below; and

WHEREAS, the proposed size of the easement for rockfall screening contains 28,481 square feet, including the rock face wall; and

WHEREAS, Oregon Department of Transportation will pay Metro's cost and expenses to process this permanent easement request and 2,775 dollars fair market value for the easement area; and

WHEREAS, Resolution No. 97-2539B "For The Purpose Of Approving General Policies Related To The Review Of Easements, Right-Of-Ways, And Leases For Non-Park Uses Through Properties Managed By The Regional Parks And Greenspaces Department" requires formal review of all easement requests by the Regional Parks Advisory Committee and the full Metro Council; and

WHEREAS, the Metro Parks Department has determined that this easement request has met the criteria in Resolution 97-2539B, as identified in Exhibit A, and can be accomodated with minimal impact to Natural Resources, cultural resources, recreational resources, recreational facilities, recreational opportunities or their operation and management, and the Regional Parks and Greenspaces Advisory Committee has reviewed the proposal and has recommended approval; now therefore

BE IT RESOLVED that the Metro Council authorizes the Chief Operating Officer to grant a permanent easement to Oregon Department of Transportation for anchoring, hanging and maintaining mesh screening, as depicted in Exhibit B and set forth in the attached legal easement document, Exhibit C, on the tract of land owned by Metro at Canemah Bluff in the city of Oregon City.

ADOPTED by the Metro Council this _____ day of _____, 2003

David Bragdon, Council President

APPROVED AS TO FORM:

Daniel B. Cooper, Metro Attorney

EXHIBIT A
Resolution 03-3275

Metro Easement Policy Criteria and Staff Findings

- 1) Provide for formal review of all proposed easements, rights of ways, and leases for non-park uses by the Regional Parks and Greenspaces Advisory Committee, the Regional Facilities Committee and the full Council. Notwithstanding satisfaction of the criteria set forth herein, the final determination of whether to approve a proposed easement, right of way, or lease is still subject to the review and approval by the full Metro Council.**

Staff Finding: Criterion has been satisfied through a review and approval process that includes formal easement application and approval from the Regional Parks and Greenspaces Advisory Committee. The full Council will hear the request.

- 2) Prohibit the development of utilities, transportation projects and other non-park uses within corridors or on sites which are located inside of Metro owned or managed regional parks, natural areas, and recreational facilities except as provided herein.**

Staff Finding: The applicant proposes place and hang mesh screening off the top of the cliff to help prevent rocks from falling on 99E below. The permanent easement will also allow for on-going maintenance of the screening.

- 3) Reject proposals for utility easements, transportation right of ways and leases for non-park uses which would result in significant, unavoidable impacts to natural resources, cultural resources, recreational facilities, recreational opportunities or their operation and management.**

Staff Finding: The easement will have minimal impact on park or natural resource values while making 99E safer for vehicle travel.

- 4) Accommodate utility easements, transportation right of ways or other non-park uses when the Regional Parks and Greenspaces Department (the Department) determines that a proposed easement, right of way, or non-park use can be accommodated without significant impact to natural resources, cultural resources, recreational facilities, recreational opportunities or their operation and management; and that the impacts can be minimized and mitigated.**

Staff Finding: Meets criteria.

- 5) Require full mitigation and related maintenance, as determined by the Department, of all unavoidable impacts to natural resources, recreational facilities, recreational opportunities or their operation and management associated with the granting of easements, right of ways, or leases to use Metro owned or managed regional parks, natural areas or recreational facilities for non-park uses.**

Staff Finding: No mitigation is required given the minimal impact and benefit due to improvements.

- 6) **Limit rights conveyed by easements, right of ways, and leases for non-park uses to the minimum necessary to accomplish the objectives of any proposal.**

Staff Finding: The dimensions and terms of the easement are limited to accommodate the installation and maintenance of the screening, and are not transferable or assignable to adjacent properties.

- 7) **Limit the term of easements, right of ways and leases to the minimum necessary to accomplish the objectives of any proposal.**

Staff Finding: The permanent easement space limitations are the minimum needed to accomplish the project while minimizing impact on Metro property.

- 8) **Require reversion, non-transferable, and removal and restoration clauses in all easements, rights of ways, and leases.**

Staff Finding: The easement will include these terms.

- 9) **Fully recover all direct costs (including staff time) associated with processing, reviewing, analyzing, negotiating, approving, conveying, or assuring compliance with the terms of any easement, right of way, or lease for non-park use.**

Staff Finding: Metro staff assigned to this application has documented time and costs spent on this application and informed the applicant of the policy requiring reimbursement. Execution of the easement is subject to satisfaction of all expenses.

- 10) **Receive no less than fair market value compensation for all easements, right of ways, or leases for non-park uses. Compensation may include, at the discretion of the Department, periodic fees or considerations other than money.**

Staff Finding: Metro will receive the fair market value of 2,775 dollars for the non-buildable area.

- 11) **Require full indemnification from the easement, right of way or leaseholder for all costs, damages, expenses, fines, or losses related to the use of the easement, right of way, or lease. Metro may also require insurance coverage and/or environmental assurances if deemed necessary by the Office of General Counsel.**

Staff Finding: The easement will include indemnification and insurance provisions.

- 12) **Limit the exceptions to this policy to: grave sales, utilities or transportation projects which are included in approved master/management plans for Metro regional parks, natural areas and recreational facilities; projects designed specifically for the benefit of a Metro regional park, natural area, or recreational facility; or interim use leases as noted in the Open Spaces Implementation Work Plan.**

Staff Finding: No exception requested.

13) Provide for the timely review and analysis of proposals for non-park uses by adhering to the following process:

- A. The applicant shall submit a detailed proposal to the Department which includes all relevant information including but not limited to: purpose, size, components, location, existing conditions, proposed project schedule and phasing, and an analysis of other alternatives which avoid the Metro owned or managed regional park, natural area or recreational facility which are considered infeasible by the applicant. Cost alone shall not constitute unfeasibility.**

Staff Finding: Applicant has submitted a detailed proposal including all required information.

- B. Upon receipt of the detailed proposal, the Department shall determine if additional information or a Master Plan is required prior to further review and analysis of the proposal. For those facilities, which have master plans, require that all proposed uses are consistent with the master plan. Where no master plan exist all proposed uses shall be consistent with the Greenspaces Master Plan. Deficiencies shall be conveyed to the applicant for correction.**

Staff Finding: No additional information is needed.

- C. Upon determination that the necessary information is complete, the Department shall review and analyze all available and relevant material and determine if alternative alignments or sites located outside of the Metro owned or managed regional park, natural area, or recreational facility are feasible.**

Staff Finding: No reasonable alternative for alignment outside the Metro natural area is feasible.

- D. If outside alternatives are not feasible, the Department shall determine if the proposal can be accommodated without significant impact to park resources, facilities or their operation and management. Proposals which cannot be accommodated without significant impacts shall be rejected. If the Department determines that a proposal could be accommodated without significant impacts, staff shall initiate negotiations with the applicant to resolve all issues related to exact location, legal requirements, terms of the agreement, mitigation requirements, fair market value, site restoration, cultural resources, and any other issue relevant to a specific proposal or park, natural area or recreational facility. The Department shall endeavor to complete negotiations in a timely and business-like fashion.**

Staff Finding: No significant negative impact on Metro property will occur. All work is being completed from below the site, via hydraulic buckets.

- E. Upon completion of negotiations, the proposed agreement, in the appropriate format, shall be forwarded for review and approval. In no event shall construction of a project commence prior to formal approval of a proposal.**

Staff Finding: Construction is contingent upon approval.

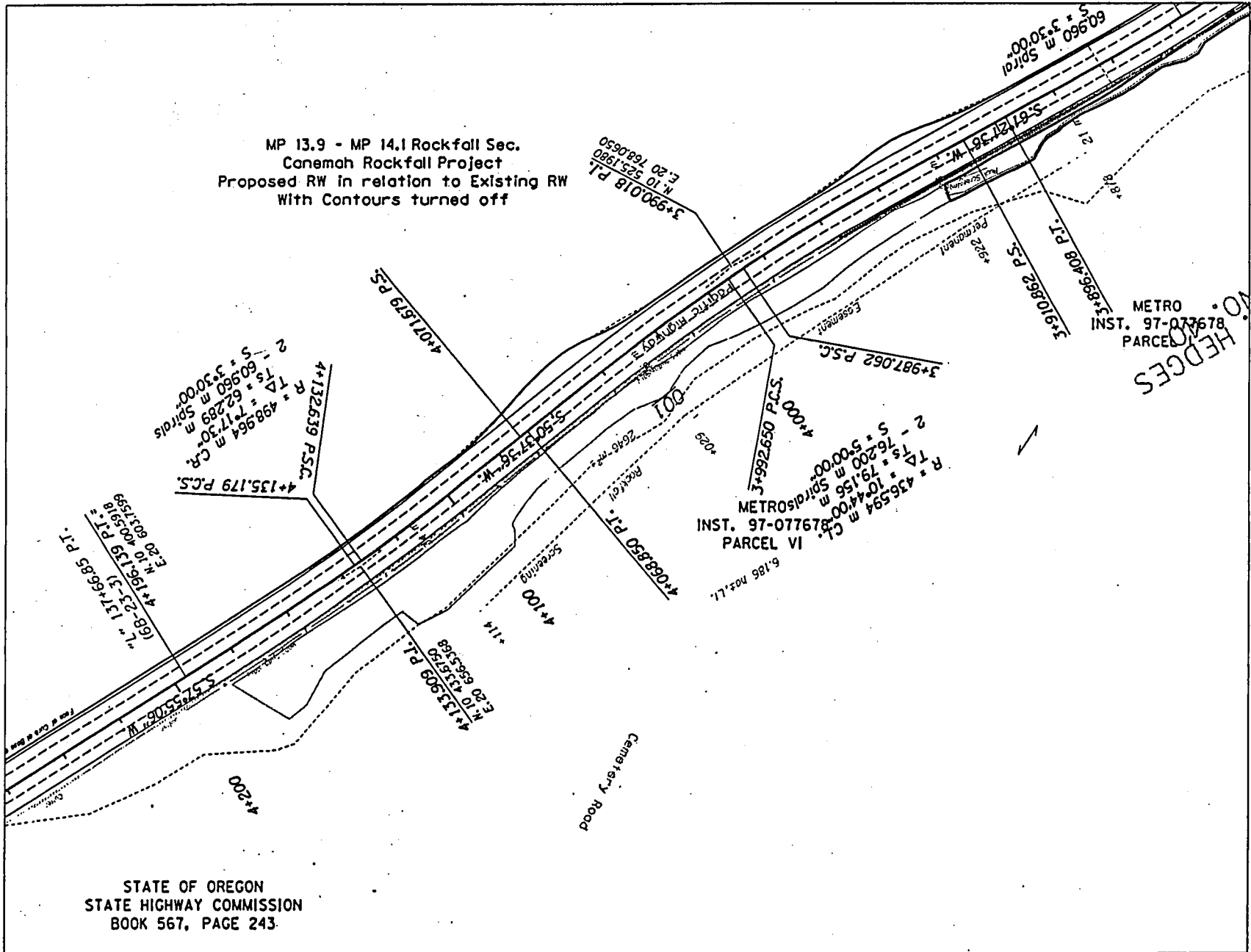
- F. Upon completion of all Metro tasks and responsibilities or at intervals determined by the Department, and regardless of Metro Council action related to a proposed easement, right of way, or lease for a non-park use, the applicant shall be invoiced for all expenses or the outstanding balance on expenses incurred by Metro.**

Staff Finding: Metro costs have been documented and applicant will be billed for reimbursement.

- G. Permission from Metro for an easement or right-of-way shall not preclude review under applicable federal, state, or local jurisdiction requirements.**

Staff Finding: Criterion satisfied.

EXHIBIT B
Resolution No. 03-3275



PERMANENT EASEMENT

METRO, a municipal corporation and political subdivision of the State of Oregon, Grantor, for the true and actual consideration of \$2,775 (Two Thousand Seven Hundred Seventy Five and No/100 Dollars) does grant to the STATE OF OREGON, by and through its DEPARTMENT OF TRANSPORTATION, Grantee, its successors and assigns, a permanent easement to install and maintain rock fall screening over, across, and upon the following described property:

A parcel of land lying in the Absalom F. Hedges D.L.C. No. 40, Township 3 South, Range 1 East, W.M., Clackamas County, Oregon and being a portion of that property designated as Parcels 1 and 6 and described in that deed to Metro, recorded as Recorder's Fee No. 97-077678, Film Records of Clackamas County; the said parcel being that portion of said property included in a strip of land variable in width, lying on the Southeasterly side of the center line of the relocated Pacific Highway East, which center line is described as follows:

Beginning at Engineer's center line Station 3+729.024, said station being 608.824 meters North and 922.845 meters East of a witness corner marking the most Westerly corner of the Absalom F. Hedges D.L.C. No. 40, Township 3 South, Range 1 East, W.M.; said corner being a 102 mm (4") Aluminum Disk, referenced in Bearing Tree Book 12, Pages 85A and 85B, Clackamas County Survey Records; thence South 48° 33' 36" West 4.100 meters; thence on a spiral curve right (the long chord of which bears South 49° 22' 36" West 42.669 meters) 42.672 meters; thence on a 498.954 meter radius curve right (the long chord of which bears South 54° 26' 06" West 59.616 meters) 59.651 meters; thence on a spiral curve right (the long chord of which bears South 60° 11' 36" West 60.950 meters) 60.960 meters; thence South 61° 21' 36" West 14.454 meters; thence on a spiral curve left (the long chord of which bears South 59° 41' 37" West 76.174 meters) 76.200 meters; thence on a 436.594 radius curve left (the long chord of which bears South 55° 59' 36" West 5.588 meters) 5.588 meters; thence on a spiral curve left (the long chord of which bears South 52° 17' 36" West 76.174 meters) 76.200 meters; thence South 50° 37' 36" West 2.829 meters; thence on a spiral curve right (the long chord of which bears South 51° 47' 36" West 60.950 meters) 60.960 meters; thence on a 498.964 radius curve right (the long chord of which bears South 54° 16' 21" West 2.540 meters) 2.540 meters; thence on a spiral curve right (the long chord of which bears South 56° 45' 06" West 60.950 meters) 60.960 meters to Engineer's center line Station 4+196.139.

RETURN TO AND TAX STATEMENT TO
OREGON DEPARTMENT OF TRANSPORTATION
RIGHT OF WAY SECTION
355 CAPITOL STREET NE, ROOM 420
SALEM OR 97301-3871

Account No.: 31 E 01 01000 and 31 E 01 AB 00401

Property Address:

11/06/02

Page 1 of 4 - EA

gmh/Metro/jem/sm 01/30/03

The widths in meters of the strip of land above referred to are as follows:

Station	to	Station	Width on Southerly Side of Center Line
3+878		3+922	21 in a straight line to 23
3+922		4+029	23 in a straight line to 26
4+029		4+114	26 in a straight line to 34

Bearings based on Oregon Department of Transportation Survey. See Drawing No. 4B-6-3, dated December, 1925.

The parcel of land to which this description applies contains 2646 square meters, more or less.

IT IS UNDERSTOOD that the easement herein granted does not convey any right or interest in the above-described property, except as stated herein, nor prevent Grantor from the use of said property; provided, however, that such use does not interfere with the rights herein granted. Grantee's use of the above described property shall therefore be non-exclusive, and subject to Grantor's inspection for compliance hereunder, at any time, without notice. However, Grantor agrees to undertake no activity that interferes with, harms or otherwise impairs the proper functioning of the rock fall screening, and agrees that no other structures may be erected upon the Permanent Easement without the advance written consent of Grantee.

Grantee agrees to provide 10 days written notice to Grantor before commencing construction activities on the above described property under this Permanent Easement.

Grantee agrees to immediately restore and revegetate with native vegetation according to Grantor's specifications any ground surface disturbed by Grantee's construction, maintenance, repair or replacement of the rock fall screening.

Grantee hereby releases Grantor and its successors and/or assigns from responsibility for damage by third parties to said rock fall screening.

Grantor covenants to and with Grantee, its successors and assigns, that Grantor is the owner of said property, and, with the exception of matters of record, will warrant the easement rights herein granted from all lawful claims whatsoever.

To the maximum extent permitted by law and subject to the Oregon Tort Claims Act, ORS Chapter 30, Grantee shall defend, indemnify, and save harmless Grantor, its officers, employees, and agents from and against any and all

actual or alleged claims, demands, judgments, losses, damages, expenses, costs, expenses, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees), fines, and/or penalties, which may be imposed upon or claimed against Grantor and which, in whole or in part, directly or indirectly, arise from or are in any way connected with: (i) the act, omission or negligence of Grantee, its officers, directors, agents, employees, invitees, contractors or subcontractors; (ii) the construction, maintenance or operation of the Permanent Easement set forth herein, whether or not due to the Grantee's own act or omission and whether or not occurring on the Permanent Easement; and (iii) any breach, violation or failure to perform any of the Grantee's obligations under this Permanent Easement.

It is understood and agreed that this Permanent Easement is granted on the express condition that the Grantee use the above described property solely for the purposes of installing, constructing and maintaining thereon the rock fall screening, including such renewals, repairs, replacements and removals thereof as may be from time to time required. If the above described property is ever used for another purpose by the Grantee without the express written permission of Grantor, or if the above described property ever ceases to be used for said purposes, the Grantor may re-enter and terminate the Permanent Easement hereby granted.

Grantor agrees that the consideration recited herein is just compensation for the property or property rights conveyed, including any and all damages to Grantor's remaining property, if any, which may result from the acquisition or use of said property or property rights. However, the consideration does not include damages resulting from any use or activity by Grantee beyond or outside of those uses expressed herein, if any, or damages arising from any negligence.

In construing this document, where the context so requires, the singular includes the plural and all grammatical changes shall be made so that this document shall apply equally to corporations and to individuals.

It is understood and agreed that the delivery of this document is hereby tendered and that terms and obligations

hereof shall not become binding upon the State of Oregon Department of Transportation, unless and until accepted and approved by the recording of this document.

Dated this _____ day of _____, 2003.

APPROVED AS TO FORM:

METRO, a municipal corporation and political subdivision of the State of Oregon

By _____

By _____

Mark B. Williams
Interim Chief Operating Officer

State of Oregon)
 ss.
County of Multnomah)

Dated _____, 2003. Personally appeared MARK B. WILLIAMS, who, being sworn, stated that he is the Interim Chief Operating Officer of METRO, a municipal corporation and political subdivision of the State of Oregon, and that this instrument was voluntarily signed on behalf of said municipal corporation by authority of its Resolution No. _____, passed by its Council, on this _____ day of _____, 2003.

Notary Public for Oregon

My Commission expires _____

Accepted on behalf of the Oregon Department of Transportation

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 03-3275 FOR THE PURPOSE OF GRANTING AN EASEMENT TO OREGON DEPARTMENT OF TRANSPORTATION FOR NON-PARK USE THROUGH METRO PROPERTY AT CANEMAH BLUFF

Date: February 10, 2003

Prepared by: Laurie Wulf

BACKGROUND

Metro Regional Parks and Greenspaces Department occasionally receives requests for easements, leases and right-of-ways through property that has been acquired through Regional Parks and Greenspaces properties. These requests are reviewed and analyzed per the guidance and policy established via Resolution 97-2539B, "For the Purpose of Approving General Policies Related to the Review of Easements, Right-of-Ways, Leases For Non-Park Uses Through Properties Managed By Regional Parks and Greenspaces Department" adopted by Council on November 6, 1997.

Metro has received and reviewed an easement application from Oregon Department of Transportation. The request meets all criteria set forth in the Metro Policy regarding easements, right-of-ways and leases for non-park uses. Oregon Department of Transportation is requesting an easement on Metro owned property at Canemah Bluff in Oregon City, above Highway 99E. The proposed easement is 28,481 square feet for the purpose of placing, hanging and maintaining mesh screening off the top of the cliff to help prevent rocks from falling onto 99E below. The mesh screening will be hung from anchors that are approximately 5 feet from the slope break to approximately 5 feet above the road surface. Rock bolts will be secured to the face of the cliff to bolt fractured rock together. All work will be completed from 99E, so Oregon Department of Transportation will not need access to the natural area.

ANALYSIS/INFORMATION

1. **Known Opposition** No known opposition
2. **Legal Antecedents** Resolution No. 97-2539B "For The Purpose Of Approving General Policies Related To The Review of Easements, Right-Of-Ways, And Leases For Non-Park Uses Through Properties Managed By The Regional Parks And Greenspaces Department".
3. **Anticipated Effects** The easement will allow aid in minimizing a safety problem by securing unstable rock cuts to reduce the incidents of rocks falling into the travel lanes of 99E.
4. **Budget Impacts** Oregon Department of Transportation will pay staff costs for processing this request and 2,775 dollars fair market value for the easement. They will also pay Metro for trees removed for screen placement.

RECOMMENDED ACTION

The interim Chief Operating Officer recommends that the Council grant the easement as requested.

MINUTES OF THE METRO COUNCIL MEETING

Thursday, February 13, 2003
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Susan McLain, Brian Newman, Carl Hosticka, Rod Monroe, Rex Burkholder

Councilors Absent: Rod Park (excused)

Council President Bragdon convened the Regular Council Meeting at 2:03 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

There were none.

3. CONSENT AGENDA

3.1 Consideration of minutes of the February 6, 2003 Regular Council Meetings.

Motion:	Councilor Newman moved to adopt the meeting minutes of the February 6, 2003, Regular Metro Council meeting.
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Vote:	Councilors Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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3.2 Resolution No. 03-3266, For the Purpose of Appointing Moji Momeni to the Metro Committee on Citizen Involvement (MCCI)

Motion:	Councilor Newman moved to adopt Resolution No. 03-3266.
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Vote:	Councilors Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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4 CONTRACT REVIEW BOARD

4.1 Resolution No. 03-3268, For the Purpose of Authorizing the Release of Request for Proposals No. 03-1038-REM for Analytical Laboratory Services.

Motion:	Councilor Burkholder moved to adopt Resolution No. 03-3268.
Seconded:	Councilor Newman seconded the motion

Councilor Burkholder reviewed the specifics of the resolution. Councilor McLain thought that the request for proposal was important. She suggested that staff keep a record of who applied for the work so that they could attract new bidders and encourage minority bidders. She supported the resolution. Council President Bragdon direct staff to provide this information to Councilor McLain.

Vote:

Councilors Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.

4.2 Deliberation on Appeal by Hattenhauer Distributing Company of Executive Director's Rejection of Appeal of contract for Provision of Diesel Fuel to Devin Oil Company, Inc.

Council President Bragdon reviewed the process for this deliberation (a copy of which is included in the record). He noted that the Council was not obliged to act today. He reviewed the procedure for the Appeal by Hattenhauer Distributing Company (a copy of which is included in the record).

Councilor Hosticka asked about the nature of the proceedings, was it quasi-judicial? Marv Fjordbeck, Senior Assistant Counsel said this was similar to a quasi-judicial matter. He explained the difference.

Thomas Peachey, Attorney for Hattenhauer Distributing Company, said he and Mr. Hattenhauer were here today seeking review of this contract bid award. He said Council's role required that they comply with all state and local laws regarding the awards of bid. He explained further what those laws required. He felt a fundamental issue involved in the appeal was supporting impartiality. The two elements being addressed today were the operation of a cardlock facility and compliance with regulations that would accommodate tractor trailer combinations and allow cueing for vehicles. Their primary issue was to suggest that the Hattenhauer facility was able to accommodate the bid process that was put together by Metro. Devin Oil was the bid that had been recommended as being awarded in this matter. They had come to Metro with a proposal that a .075-cent markup be applied; Hattenhauer bid was .0725, which was the low bid. This had a financial impact on Metro of about \$12,000 to \$13,000 savings if Hattenhauer were awarded the bid. Hattenhauer originally rejected the bid because its facility did not have in existence the things that were requested in the bid. The proposal by Mr. Hattenhauer was that they would make the changes to meet the requirements of Metro's bid. That proposal was rejected by Metro as a result of these requirements not being in existence. They could have reasonably done the work by the time the fuel would have been provided by the contract. He noted a letter supporting this work. After the bid was denied to Hattenhauer, Metro obtained a report from an engineer that was dated December 30th who went out and looked at Mr. Hattenhauer's site. The DKS engineering report did not exam the Devin Oil site. That caused them a measure of concern. They believed that there were similar issues raised with both sites. They thought neither of the sites were perfect but believed both of the sites met the practical impartial requirement that were set forth by Metro when they initiated the bid. The primary concern of the engineering report (Exhibit F) from DKS Associates questioned whether the site could accommodate the needs of Metro. They had a number of issues with the report. The report itself talked about traffic volumes on Hwy 217 as being some basis to make some calculations with regards to this site. The volume figures were wrong. He noted the videotape that they would show showing similar sized vehicles accessing the location. The State of Oregon had permitted the use of the approaches for Hattenhauer's location and similar approaches for the Devin Oil location. Applications and permits for approaches were submitted for the record. He explained that he felt that these applications and permits were

relevant to the issues of whether these trucks can reasonably access the Hattenhauer location and therefore, justify Metro awarding a lower bid and saving some money.

Finally, part of the packet included a letter from Mr. Gronquist, the manager for CSU Transport dated October 4, 2002 to Chuck Geyer, stating that if Mr. Hattenhauer could make his cardlock in Gillam County so that CSU trucks and drivers could safely get off the road to obtain the fuel, then he had no problem fueling there. He thought this was truly the primary issue here. Had Hattenhauer reasonably met the requirements and proposed to meet the requirements under the bid? He thought they had and should be awarded the contract. They were the low bidder. He requested that they be awarded the contract. They had obtained the services of Mr. David Weaver, licensed traffic engineer, civil engineer and land surveyor to evaluate the bid requirements. Mr. Weaver had some materials to show Council with regards to focusing on the access issues. Mr. Weaver said when he was contacted in January to evaluate this site he was told it was an existing facility. They wanted him to use drawing templates to see if things would or would not work. He had advised Mr. Peachey to take a couple of vehicles to the site and drive them through. He showed some pictures demonstrating truck access to the Hattenhauer south. He then showed a video of trucks accessing the site. The video was to demonstrate the capacity to fuel 2 trucks and cue 4 trucks as well as the clearance of fixed objects. He talked about the cueing. He also showed the Devin site on the video.

Councilor McLain asked clarifying questions about cueing and fueling. Councilor Newman asked if they had a plan view of the site. Mr. Weaver said Mr. Hattenhauer prepared this plan view. Mr. Hattenhauer explained further the proposed plan and the cueing of the trucks. He showed how there would be more access in the future by removing some of the barriers. Councilor Newman asked about the fueling pumps. He asked about the number of trucks, cueing and fueling. Mr. Hattenhauer showed examples of how trucks could cue and fuel. The radius met the requirements of the bid. The facility and the trucks met the requirements of the bid. He explained some of the concerns about the site and how they would accommodate those concerns. It was a doable project. Mr. Weaver said in his 48 years of experience he was in a position to review problem truck sites. He believed this project was doable.

Chuck Geyer, Solid Waste & Recycling Department, was the project manager for this contract. He gave an overview of the history (a copy which is included in the meeting record titled Fuel Contract Background). He explained the reason why they were doing this Release For Proposal (RFP). He then reviewed the current procurement and technical requirements (a summary of this is included in the meeting record titled Metro's 2002 Fuel Procurement). He showed a drawing of what was submitted at the time of the bid. (A copy of Mr. Geyer's presentation is included in the meeting record). He then gave a power point presentation (a copy of which is found in the meeting record), which dealt with a review of the truck turning paths.

Councilor McLain asked, if during the bid process, was Hattenhauer told that they couldn't have any cars on the site? Mr. Geyer said no, they said that the company had to have cueing for four vehicles at all times. Councilor McLain inquired, that was after the bid was offered? Right now, status quo, they were not required to quit business while they were going through this bid process. Mr. Geyer said they had asked them to provide cueing at all times. What they submitted to Metro was a drawing. You couldn't put four trucks on that site because of the passenger vehicles. They were planning to continue their retail operation. They have made no provisions to prevent the situation. They were out of compliance with the specifications. Council President Bragdon said this picture did not demonstrate that. This picture demonstrated the condition during the time of the bid. Councilor McLain's question was did the RFP say when you were bidding you were not allowed to have cars there? Mr. Geyer responded that the RFP said that your site had to provide

cueing for four CSU trucks at all times. Council President Bragdon added, if you win the bid. Mr. Geyer said yes. Council President Bragdon said Councilor McLain's point was that this picture was showing the current conditions. Mr. Geyer said his point was that they were not changing their conditions. Councilor McLain asked clarifying questions about the bid. She said Hattenhauer understood that they had to have a minimum of four vehicles. Mr. Geyer agreed. He continued to show the lack of truck clearance. They had determined that Hattenhauer did not meet specifications.

Councilor Hosticka said it would be helpful if they had the RFP in front of them. Mr. Fjordbeck provided a copy of the scope of the RFP (found in the meeting record). Councilor Burkholder talked about the bid language and that Council was allowed to determine what must be in place at the time of the bid. Council President Bragdon said that was Councilor McLain's point. Mr. Geyer continued with his presentation. Councilor Burkholder asked why Highway 19 was required in the bid? Mr. Geyer said that was the historical pattern that the contractor enjoyed prior to allowing Metro to buy fuel. It was one of the conditions he wanted for Metro to purchase the fuel. The reason was, it was convenient to his operations. Councilor Newman said there was current retail at the Hattenhauer site and that retail activity was anticipated to continue even if they were awarded the contract. If retail activity occurred after the bid was awarded, there may not be a space or the cueing areas as outlined in the RFP, was that correct? Mr. Geyer said that was correct and Hattenhauer stated in his bid that the activity will continue. Councilor Newman said it seemed to him that the slide showing current retailing activities was relevant because it could create problems in the future. Councilor McLain asked about retail activity at Devin Oil? It was a cardlock so anyone who had a card could pull into the Devin lot. Mr. Geyer said that was correct but they didn't have retail. Councilor McLain clarified that Devin could service anyone they wanted to. Mr. Geyer said yes.

Randy McCord, DKS Associate traffic engineer, said they were brought in to take a look at the site and to apply some standard engineering criteria given the situation where the pumps weren't there and take a look at the circulation patterns on the site. In looking at the site, they applied some standards truck turning templates that were developed by the American Association of State Highway and Transportation Officials. He would also be showing some truck turning paths. He talked about some of the key issues and showed a power point presentation of different truck positions (a copy of the power point presentation is found in the meeting record). He said what they found was not un-similar to what the video found which was that a truck could make the maneuver but there were some things relative to the site that made it very difficult. He noted building and fence issues. It required very close truck maneuvering to avoid collision. Councilor McLain said this site was used when Devin Oil's system went down. Were there any problems or accidents? Mr. Geyer said no. Councilor Monroe asked about traffic patterns and safety issues. Councilor McLain asked about the difference between entering and leaving the highway at the two different sites. Mr. Geyer summarized that they believed that the bid didn't comply with the RFP requirements because you can't cue four vehicles at one time. The only technical information they got to make their decision were the drawings from Hattenhauer.

Councilor Hosticka asked about cueing being available at all times regardless of what else was going on? Mr. Geyer said yes, it meant at all times. Their interpretation was a practical one at most times under most circumstances. They had observed the Devin site for quite some time. He explained issues about the Hattenhauer site and if one vehicle shut down on the site. It was a safety hazard.

Richard Devin, Vice President of Devin Oil, P.O. Box 6, Arlington, OR 97812 spoke to the Release For Proposals. They had invested money to be prepared for this RFP. He was responsible

for the service provided at the lot. He felt they had provided the best service. He thanked the Council for the award and provided a photo of the Devin Oil site. Councilor Hosticka asked about the computer problem. Mr. Devin said they were just updating the system. It was about a half hour problem.

Dennis Gronquist, CSU Transport, Box 547, Arlington, OR 97812 talked about Change Order 15 (he read a portion of the change order). He talked about the high level of service at Devin Oil and the importance of safety. If Hattenhauer had other trucks or vehicles on the lot, there was not enough room to accommodate fueling. There would be no place for the trucks to get off Highway 19. The location was wrong. Councilor Newman asked why the RFP was specific to Highway 19. He asked if it was historical, was there an effort to keep that business in Gillam County? Mr. Gronquist said they were trying to keep as many jobs in the county as possible.

Mr. Peachey closed by talking about the existing Hattenhauer's facility and how many trucks could be fueled in a certain period of time. He said Metro would save money if they awarded this contract to the lowest bidder. He said there was no requirement that the facility had to be ready at the time of the bid opening. That was patently ridiculous. You would never have anyone bid on anything if you required this at the time of the bid. He noted that pictures provided to Council on Devin Oil showed no other vehicles. He felt this was a bit disingenuous. He closed by saying that the public bidding process was put into place to foster competition and to encourage public savings. The recognition and acceptance of this appeal would do just that.

Councilor Newman said you have demonstrated to me that technically you can get four trucks on your site. If one or two additional vehicles were using those pumps could you assure Council that you could get four additional trucks on the site whether they were cueing or fueling? Mr. Peachey responded that neither of the bidders could meet that requirement. Councilor Newman repeated his question. Mr. Peachey said if the vehicles were fueling much like Devin, yes they could. Council President Bragdon reviewed the requirement for cueing. Mr. Peachey said they had not restricted the use of the lot. He suggested that maybe the bid needed to be rewritten to have some restrictions in that regard. He felt that as long as it was the commercial cardlock use lot in the bid, that issue existed for both of the bidders. Mr. Weaver added some additional remarks about the truck turning radius, speed of vehicles, and acceleration rates. Oregon law required that you stopped before entering the roadway, which was exclusive of the shoulder. He didn't think it made a difference at either site.

Council President Bragdon reviewed the three options available to the Council. Councilor Hosticka asked procedural questions. If we resolved the question that it was at the time of performance then we were asked to make some predictions about what might have happened. He wondered if there was any standard that they had to be convinced that it was actually going to happen or did they have to think it was possible that it could happen? Mr. Fjordbeck said the standard of review that the Council would be held to if this matter were further reviewed would be whether or not there was substantial evidence to support the determination. That standard was the one he suggested Council apply. Councilor Hosticka said if Council decided that the appellant could meet the criteria under the specifications for the work, was Council required to take the low bidder? Mr. Fjordbeck said that was the Council's third choice. You could uphold the appeal and direct the department to re-bid the item with specific direction. Councilor Hosticka said price was a relative term, was meeting specifications also a relative term or once you have passed the threshold of being able to meet the specifications, were you required to award it to the low bidder? Mr. Fjordbeck said if you determined that these specifications were met, then in this matter, you would be required to award to the low bidder. Councilor McLain spoke to Devin Oil's relationship to Metro. Metro had received wonderful treatment and had a great interaction

and business relationship, so anything they discussed today was not reflective of that past relationship. She had gone through this process three times. Safety had to be the number one goal. The bid document was unreasonable in its present state. As she saw it, there was no one that could ever beat in a bid the company doing business with Metro right now because they have all of the qualifications that Metro said they were looking for. The RFP needed to be re-scoped to make it fair to people who were in the business now to do business with us in the future. She spoke to unfairness issues. She suggested a shared bid where both companies participated. She felt that there was reasoning and justification to indicate that the bid document was flawed from the very beginning.

Motion:	Councilor McLain moved to look at the third option of upholding the appeal and direct the contract to be re-bid and give direction to staff on what they wanted in that bid document.
Seconded:	Council President Bragdon seconded the motion.

Councilor Hosticka asked procedural questions. Mr. Fjordbeck responded that given the bid document that was put out and approved by the Council, the Council's task today was to determine, based on the appeal of Hattenhauer, if they had met the specifications. Staff's conclusions were that they did not meet the specifications.

Councilor McLain withdrew her motion and requested making a new motion.

Motion:	Councilor McLain moved to uphold the appeal because the appeal was valid and direct that the contract be re-bid.
Seconded:	Council President Bragdon seconded the motion.

Councilor Newman said he was opposed to the motion and explained why. He believed that this Council last November authorized a release of bids. If you wanted to send a message or change the policy by which these bids are issued, that was the time to do it. At this point, the bid had gone out. We had two groups who had responded in good faith and submitted their time and effort to respond to that bid. Now we were saying that we didn't like our original motion or should have directed staff three months ago to make changes on the request for bid. He thought if he was a business owner he would be very frustrated to do business with this agency after Metro had authorized a bid, we pulled the bids away. This contract was for two years. We should reward the folks that have responded in good faith by awarding the bid today. If Council wanted to give guidance to staff to change the requirements, they should change the language for future bids.

Councilor Burkholder said staff and staff presentation convinced him that the appeal did not have merit. He was going to propose that we put it back out for bid and change some of the requirements but was convinced by Councilor Newman's discussion not to do this. He was concerned about the provision under scope of work that restricted them to Hwy 19. He believed if we were looking at promoting competition and getting the best deal for our citizens of Oregon and this region, he thought that specific criteria limited our ability to do that. He opposed the motion and would look at changing this contract in the future to ensure there was sufficient competition.

Councilor Monroe said he was in agreement with Councilors Newman and Burkholder. He talked about safety as well as competition issues. He spoke to the benefits of Devin Oil's lot. The prudent thing to do was to award the contract today and take a look at the criteria for the next go around. Councilor Hosticka said he thought it was a theoretically possible in the future that the

appellant could meet the specifications. However, based on Councilor Monroe's comments he would be opposing the motion. Councilor McLain closed by explaining her motion. Safety was always the issue. She suggested that they needed more than one vendor. This was not the first time this appeal has been made. The document and the review process were not valid. She planned to be giving direction for the Release for Proposals. She noted that every document they saw from Metro staff today was very selective and not helpful. This was not the first time this appeal had been made. She thought we had given direction to staff that Council didn't want to be in this position again. We were in this position today because the document itself and the review process were not working. We were asking for things that were unreasonable.

Vote:

Councilors McLain and Council President Bragdon voted in support of the motion. Councilor Hosticka, Burkholder, Newman and Monroe voted no. The vote was 2 aye/4 nay, the motion failed.
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Motion:	Councilor Monroe moved to accept the staff's recommendation, reject the appeal and award the contract to Devin Oil.
Seconded:	Councilor Newman seconded the motion.

Council Newman explained his vote. He felt that the Hattenhauer proposal had a fatal flaw, which even with the improvement, was that it had not been proven to him with other retail activities occurring that Hattenhauer could meet the minimum requirements of the bid. Because of that Metro could accept the appeal. He would be happy to be involved in rewriting the criteria.

Council President Bragdon said he would be voting against the motion and explained his vote. He said if this were just a matter of looking at the Hattenhauer situation as it was currently situated, he might have voted in favor of this motion. But, in part, because of how this information had worked as well as how the business people have been dealt with, he thought when a public agency put bids out, the process should to be done in a way that invited clear competition and was clearly unbiased. When information was presented to the Council, he expected that it be presented in an unbiased fashion and that it be neutral and that pictures not be used to disadvantage one bidder in the way they were taken. He also asked, in the future, judgments that were to be made by the Council be reserved for the Council. He would be voting no and be looking for a different level of performance on future presentations.

Councilor Monroe closed by saying the RFP maybe should have been drafted more carefully but our job was to look at the RFP and determine whether or not the appellant qualified and clearly the appellant does not qualify. We were required at this point to go ahead and grant the contract to Devin Oil.

Vote:

Councilors Hosticka, Burkholder, Monroe, Newman voted in support of the motion and Council President Bragdon and Councilor McLain voted against. The vote was 4 aye/2 nay, the motion passed.

5. COUNCILOR COMMUNICATION

Councilor McLain talked about the Jackson School Interchange and the discussion at Joint Policy Advisory Committee on Transportation this morning. She suggested a discussion at an Informal on this issue. Councilor Hosticka suggested talking about the management plan versus the design of the interchange at the Informal. Councilor McLain said there were objections to both plans.

The second issue was that she would be making available to Council several reports on some of the issues that they were trying to deal with agricultural strategy in Task III of Period Review.

Councilor Newman said the South Corridor Policy Committee made their Locally Preferred Alternative final recommendation on the South Corridor Project, which was the combined option. He explained what this option entailed. The recommendation was now being sent to local jurisdictions. The Council April 17th would consider the recommendation. Councilor Monroe said this was an exciting step in the process. He noted that the vote was unanimous which gave a strong indication that every jurisdiction would be in support. He gave accolades to Councilor Newman for his leadership.

Council President Bragdon said MPAC met last night and talked about affordable housing and performance measures.

6. ADJOURN

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:10 p.m.

Prepared by


Chris Billington
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF FEBRUARY 13,
 2003**

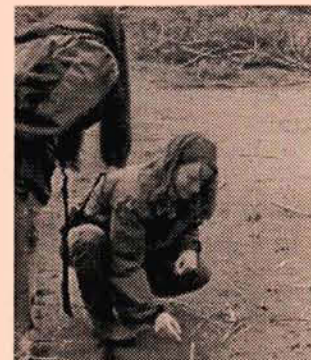
ITEM #	TOPIC	DOC DATE	DOCUMENT DESCRIPTION	DOC. NUMBER
3.1	MINUTES	2/6/03	METRO COUNCIL MINUTES OF FEBRUARY 6, 2003 SUBMITTED FOR APPROVAL	021303C-01
4.2	MEMO	2/10/03	TO: DAVID BRAGDON, COUNCIL PRESIDENT FROM: MARV FJORDBECK, SENIOR ATTORNEY RE: SUGGESTED PROCEDURES FOR APPEAL BY HATTENHAUER DISTRIBUTING COMPANY	021303C-02
4.2	MEMO	2/12/03	TO: DAVID BRAGDON, COUNCIL PRESIDENT FROM: MARV FJORDBECK, SENIOR ATTORNEY RE: APPEAL BY HATTENHAUER DISTRIBUTING COMPANY OF EXECUTIVE OFFICER'S REJECTION OF APPEAL CONCERNING NOTICE TO AWARD DIESEL FUEL CONTRACT	021303C-03
4.2	RFP SCOPE OF WORK	NO DATE	TO: METRO COUNCIL FROM: MARV FJORDBECK RE: SCOPE OF WORK FOR RFP	021303C-04
4.2	APPLICATION AND PERMIT TO CONSTRUCT APPROACH ROAD	1994	TO: METRO COUNCIL FROM: DAVID WEAVER, TRANSPORTATION ENGINEER RE: COPIES OF APPLICATIONS AND PERMIT TO CONSTRUCT APPROACH ROAD FOR HATTENHAUER AND DEVIN	021303C-05
4.2	PRESENTATION	NO DATE	TO: METRO COUNCIL FROM: CHUCK GEYER, SOLID WASTE & RECYCLING DEPARTMENT RE: PRESENTATION FOR HATTENHAUER APPEAL	021303C-06
4.2	POWER POINT PRESENTATION	NO DATE	TO: METRO COUNCIL FROM: DKS ASSOCIATES RE: POWER POINT PRESENTATION ON TRUCK TURNING PATHS	021303C-07

METRO REGIONAL PARKS AND GREENSPACES 2002 VOLUNTEER SERVICES REPORT

Printed on recycled paper 03664 JG

Fitness Trail removing nightshade, ivy, holly and blackberry. He has personally removed invasive plants from approximately 300,000 square feet of natural area surrounding the trail. He shows up faithfully for work week after week and cuts, pulls and stacks the plants he removes near the trail – often it takes two staff members several trips with the dump truck to remove them.

♻️ **Christina Walsh** is a site steward for Lone Fir Cemetery and energetically dashes through Lone Fir, which is near her home, on a very regular basis (three to four times a week) to collect litter. Her work in the cemetery, such as moving tree limbs and branches after a windy evening, saves a lot of staff time. She is an active member of Friends of Lone Fir.



Elisabeth Neely teaches tracking techniques to volunteer naturalists.

NATURAL RESOURCE DIVISION AWARD

♻️ **Northwest Service Academy**, a program of AmeriCorps – Team members, self-titled The Madrones, have each donated approximately

600 hours this past year. They have dedicated themselves to mapping and eradicating Japanese knotweed patches along the Clackamas River. Members are Andrea Thury, Cassie Mellon, Erin Barnholdt and Jasson Vassar.

DIRECTOR'S AWARD – presented to staff that excel at involving volunteers in Metro Parks and Greenspaces programs and services.

♻️ **Elisabeth Neely**, Oxbow Regional Park naturalist, is known for the clear, consistent and nurturing way she works with volunteers. She not only plays a huge role in training some of our outstanding leadership volunteers, but her role as a mentor in many of their lives is truly inspiring. Her leadership of volunteer naturalists, campfire hosts and roving naturalists at Oxbow is not only exceptional, but also done with personal care and interest that is truly outstanding.

♻️ **Susie Boushá**, pioneer cemeteries manager, has clearly demonstrated her exceptional willingness to provide direction, assistance and a positive experience for volunteers and volunteer groups. She always is open to feedback and input from both volunteers and Metro staff on how to better communicate, coordinate and supervise volunteer projects. Susie works closely with Friends of Lone Fir, local school groups, scout groups, church groups and individual volunteers.

Our regional focus . . .

Metro Regional Parks and Greenspaces Department's volunteer program is dedicated to being a regional resource for our community and Metro. This dedication is demonstrated through many of our activities:

- Coordinate and facilitate managers of volunteers for the environment (MoVE). Mentor new volunteer managers.
- Coordinate meetings for Metro's managers of volunteers. With Parks and Greenspaces, the Oregon Zoo, Portland Center for the Performing Arts and Oregon Convention Center, there are more than 3,500 volunteers contributing 200,000 hours to our regional Metro facilities.
- Work with more than 50 groups to facilitate their community involvement goals
- Represent Metro as a whole, not just the department, when speaking to the community. We also train our volunteer leaders to do the same at volunteer work parties.

We look forward to continuing to grow in this capacity.

Metro People places • open spaces

Metro serves 1.3 million people who live in Clackamas, Multnomah and Washington counties and the 24 cities in the Portland metropolitan area. The regional government provides transportation and land-use planning services and oversees regional garbage disposal and recycling and waste reduction programs.

Metro manages regional parks and greenspaces and owns the Oregon Zoo. It also oversees operation of the Oregon Convention Center, the Portland Center for the Performing Arts and the Portland Metropolitan Exposition (Expo) Center, all managed by the Metropolitan Exposition Recreation Commission.

Your Metro representatives
Metro Council President – David Bragdon
Metro Councilors – Rod Park, District 1; Brian Newman, District 2; Carl Hosticka, District 3; Susan McLain, District 4; Rex Burkholder, District 5; Rod Monroe, District 6.
Auditor – Alexis Dow, CPA

Metro's web site: www.metro-region.org



It was another great year for volunteer involvement, which grew by more than 25 percent overall from 2001. Not only did the number of volunteers and their donated hours increase, we also saw more leadership volunteers, the variety of volunteer positions available and filled, and the number of volunteer work parties. This growth is a direct reflection of increased staff involvement with volunteers throughout the department.

A first-ever volunteer recognition event in November celebrated the people who made this record-breaking year a reality.

We are excited to share this report with you.



Lupine Hudson (left) and Mary West, co-managers of Volunteer Services



Cooper Mountain natural area is a better place because of volunteers such as these.

It's your nature . . .

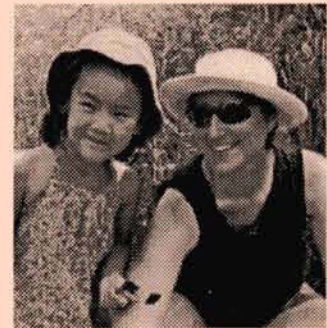
The volunteer program of Metro's Regional Parks and Greenspaces Department is dedicated to engaging residents in productive and meaningful volunteer stewardship activities that encourage healthy habitat for wildlife and people.

Where are people volunteering?

♻️ **Parks.** Forty-nine percent of volunteer hours are in parks. This includes three pioneer cemeteries, two marine facilities and six parks. Volunteer tasks include restoration, education, public tours and grounds maintenance.

♻️ **Greenspaces.** Thirty-seven percent of volunteer hours are in greenspaces – this includes 20 natural areas in the region, representing a 30 percent increase in the number of greenspaces benefiting from volunteers since 2001.

♻️ **Administration.** Fourteen percent of the hours are in administration – this includes two office sites and tasks such as data entry, filing, office duties, research, training, database maintenance and program administration.



Volunteer activities (from left to right) include picking up trash at Broughton Beach, counting butterflies and data entry and program administration.

Volunteer Appreciation Dinner 2002

More than 150 volunteers, staff and elected officials attended our first-ever Volunteer Appreciation Dinner on Nov. 17, 2002. The Oregon Zoo provided the perfect setting to celebrate the achievements of our versatile and talented volunteer team. As part of this event, we also presented awards to outstanding volunteers, groups and staff.

The most effective way to put a face on this program is by telling the stories of those who received awards. Their varied volunteer positions and skills reflect how volunteers have become an integral part of the entire department operation. Their shared commitment to the department mission is inspiring. They represent a little more than 1 percent of our volunteers yet they donate approximately 25 percent of all hours reported this past year.

CHINOOK AWARD – Outstanding Volunteer Group

Regional Parks and Greenspaces Advisory Committee – This committee was established to play a vital role in helping shape policies, plans, programs and budget of the department and clocks in about 500 hours of dedicated service. Members are Chris Noble, Sylvia Milne, Jay Hamlin, Dave Manhart, Aleta Woodruff, Rebecca Banyas, Richard Reynolds and Jeffrey Kee.

Portland State University's Urban Studies Program – Five graduate students (Michelle Heally, Beth Park, Jennifer Shively Hughes, Jennifer Bell and Stacy Burnett) donated more than 850 hours this past spring to the planning and education division, creating a professional planning document for the Trolley Trail. The initial research, analysis and maps developed by

this team are used daily by Metro. Design of this important trail that will run six miles, from Milwaukie to Gladstone.

Friends of Lone Fir Cemetery – This group does a variety of tasks including removing ivy, planting native plants, litter removal, historical preservation, research, tours and special events. The group has donated more than 500 hours to Lone Fir.



Joe Lyons (left) and Christina Walsh are members of Friends of Lone Fir Cemetery.

OSPREY AWARD – Outstanding New Volunteer

Duane Meissner – Duane has volunteered for less than a year. Initially, he agreed to check water-control structures once a week at Multnomah Channel, a 325-acre greenspace. Then, he agreed to add more duties and increased his site visits to about two times a week. In addition to monitoring, he is recording water levels, monitoring a well and helping clear debris from streams.

Laura Whittemore – Laura has volunteered 80 hours for the planning and education division this year. She initially was trained as a volunteer naturalist. During the year, she added a few more volunteer positions to her responsibilities including campfire host, nature crafts assistant and field trip coordinator.



Jeff Locke is a volunteer steward at Smith and Bybee Lakes Wildlife Area.

DOUGLAS FIR AWARD – Outstanding Restoration Leadership

Jeff Locke volunteered more than 70 hours in 2002 as a restoration leader. He also helped design and teach the crew leader training program and acted as a mentor to many new recruits. Jeff has also taken on the additional responsibility as site steward for Smith and Bybee lakes. He plans volunteer work parties and acts as a Metro liaison with Friends of Smith and Bybee.

RED FOX AWARD – Outstanding Education Volunteer

Georgette Beeson has been volunteering for about three years in positions that include field trip leader, roving naturalist, campfire host and interpretive program leader for mushroom walks and similar education programs. This past year, she volunteered a total of 55 hours.

Therese Fisher took the naturalist training two years ago and in 2002 donated 110 hours, most of them to the education program as a field trip leader, roving naturalist, campfire host and nature

crafts assistant. When that isn't keeping her busy enough, she does biological monitoring, database design and assists at special events.

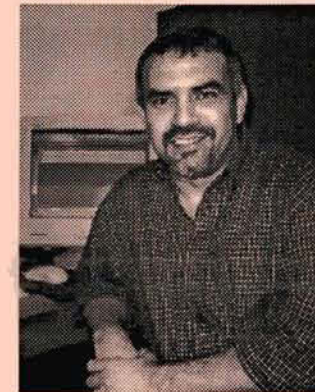
Division Awards – Outstanding contribution to a specific division of Metro's Regional Parks and Greenspaces Department

ADMINISTRATION DIVISION AWARD

JoAnn Sanders has donated 236 hours of time and talent juggling projects from all corners of the park office. Some of her projects included rescuing data from more than 10 years' worth of field notes and wildlife watching observations, entering extensive data in a newly created openspaces database, and ensuring our GreenScene mailing list stays current.

OPENSACES DIVISION AWARD

Syed Alam volunteered more than 400 hours in the past year in a very specialized and needed capacity. One of his most involved tasks included



Syed Alam helps us unravel data on open spaces.

designing and creating a database for all 230 openspaces properties.

PLANNING AND EDUCATION DIVISION AWARD

Andrew Zachary volunteered 110 hours in a five-month period. He was assigned to search literature on best management practices geared toward reducing impact from non-point source pollution. Additional searches were added to his tasks including any national literature related to trail planning and construction. He completed all of these tasks and went above and beyond in his research and information gathering.

Laila Hungerford has been volunteering three hours a week for nearly three years. She has volunteered a total of 450

hours, with more than 150 of those in the past year. She helps track numbers for reports such as this one by typing approximately 95 percent of all entries into the volunteer database. She also rides her bike to Metro Regional Center every week from Milwaukie to volunteer.

PARKS AND VISITOR SERVICES DIVISION AWARDS

Troy Clark has become a fixture in issues related to Smith and Bybee lakes. He is in his sixth year of going out every week for several hours at a time to monitor birds at the wildlife area. He also is on the Smith and Bybee Lakes Management Committee and the Friends of Smith and Bybee Lakes.

George Smith has put in more than 200 hours in our parks, cem-



Bob Hungerford accepts his award.

eteries and marine facilities. This volunteer came to Metro several days after his retirement almost three years ago and has been volunteering every Tuesday since. He grew up on a farm and is comfortable and capable of doing just about any task our staff can come up with.

Bob Hungerford came to Metro with extensive horticultural background and wanted to volunteer eight hours a day once a week. He began his work at the Glendoveer

VOLUNTEER INVOLVEMENT	2001	2002	% OF CHANGE
Volunteer hours	12,000	16,785	+29%
Value of volunteer hours*	\$192,600	\$269,399	+29%
Number of volunteers	1,000	1,259	+25%
Number of volunteer sites	25	34	+25%
Average hours per volunteer	12	13.3	+10%
Number of new volunteers	481	637	+25%
Number of volunteer groups	—	24	—
Number of times individual volunteers reported to work	—	3,368	—
Number of people volunteering each day (on average)	—	9	—

* based on national average by Independent Sector of \$16.05/hour

Metro Regional Parks and Greenspaces Spring 2003 volunteer activities

Metro Volunteer

Cooper Mountain Tree Planting

9 a.m. to noon Saturday, March 1

Come out and work side-by-side with your neighbors to plant a Madrone forest on Cooper Mountain in Washington County. This 250-acre greenspace has diverse habitat and beautiful views. Let this future forest be one of your legacies. For more information or to register, call (503) 797-1850 option 8.

Lend a hand at Oxbow

10 a.m. to 2 p.m. Sundays, March 2, April 20 and May 18

Help take care of Metro's Oxbow Regional Park, a 1,200-acre natural area park located within the wild and scenic Sandy River Gorge. Projects include restoration of areas impacted by humans and invasive species removal. Bring gloves, long sleeves, snacks and water. For more information or to register, call (503) 797-1850 option 8.

Alien Invaders at Beggars-tick Wildlife Refuge

9 a.m. to noon Saturday, March 8

Join staff and volunteers from Metro and Johnson Creek Watershed Council to help rid this seasonal wetland of invasive species like scotch broom and Himalayan blackberry. This activity is part of the Johnson Creek watershed wide event. For more information or to register, call (503) 797-1850 option 8.

Planting, Planting, Planting at Chinook Landing

9 a.m. to noon Saturday, March 22

Join Metro's gardeners for a day of flower and shrub bed maintenance and planting. Learn a lot while getting a lot of much needed work done. Bring gloves and your favorite gardening tools. For more information or to register, call (503) 797-1850 option 8. Wheelchair accessible.

North Portland "Mysterious Wetlands" Workday

9 a.m. to noon Sunday, March 23

What's the mystery? The largest protected wetland within a city in the U.S. is right here in Portland, and yet it remains relatively undiscovered. Help restore native plant communities at a variety of sites around the 2,000-acre Smith and Bybee Lakes Wildlife Area in North Portland. Restoration activities include maintaining native plants and removing invasive species that threaten the habitat. Wear long pants and sleeves and sturdy shoes and bring snacks and water. For more information or to register, call (503) 797-1850 option 8.



METRO

PEOPLE PLACES
OPEN SPACES

www.metro-region.org

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Regional Parks and Greenspaces Department
Volunteer Program

600 NE Grand Ave., Portland, OR 97232

Phone: (503) 797-1850; fax: (503) 797-1849; e-mail: parkvol@metro.dst.or.us



**Cooper Mountain workday
9 a.m. to noon Saturday, March 29**

This 250-acre greenspace needs your help to make it a healthy habitat for all creatures. Volunteer to tear down fencing to improve accessibility for wildlife. The hands of our volunteer crew will also destroy Scotch broom, an incredibly invasive species. For more information or to register, call (503)797-1850 option 8.

**Glendoveer Trail Maintenance Day
9 to 11 a.m. Thursday, April 10**

Help repair sections of this popular nature trail around Glendoveer Golf Course. We will be clearing the trail and removing invasive vegetation. Meet at the parking lot at NE 148th Avenue and Halsey Street. Dress for the weather and bring gloves. For more information or to register, call (503) 797-1850 option 8. Wheelchair accessible.

**SOLV IT
9 a.m. to 1 p.m.
Saturday, April 26**

SOLV IT is the largest Earth Day event of its kind in the nation and you can be a part of it. Join a project at one of these Metro sites where all kinds of clean up and restoration work will be accomplished. Register online at www.solv.org or by calling (503) 844-9571.

Lone Fir Pioneer Cemetery (22nd and Southeast Morrison) – Clean headstones, pick up litter and help with gardening, trimming and edging at this 30-acre wooded site, rich in local history.

Smith and Bybee Lakes Wildlife Area (North Portland) – Remove litter, eradicate invasive species & care for native plants at the largest protected wetland inside a U.S. city.

Beggars Tick Wildlife Refuge (111th and Southeast Foster) – Help remove loads of litter and loads of invasive Himalayan blackberry from a 21-acre wetland. Enjoy seeing the many birds that rely on this location.

Trolley Trail (between Milwaukie and Gladstone) – Remove debris and clear overgrown areas along the trail.

Wilsonville Tract (in the City of Wilsonville) – Remove debris, fencing and/or English Ivy. If weather cooperates, we will also plant some native shrubs in cleared areas.

**Wilsonville Tract
9 a.m. to noon, Saturday, May 17**

Volunteer in a 70-acre forest with several streams flowing through it. This greenspace needs your help to be a healthy eco-system. Tear out English Ivy that has infested huge stands of trees. Tear down fencing to allow wildlife and future volunteers access to vital areas. For more information or to register, call (503) 797-1850 option 8.



COMMITTEE ON THE BUDGET

COMMITTEE ON FINANCIAL SERVICES

SUBCOMMITTEE ON CAPITAL MARKETS,
INSURANCE AND
GOVERNMENT SPONSORED ENTERPRISES

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS
AND CONSUMER CREDIT

SUBCOMMITTEE ON DOMESTIC MONETARY
POLICY, TECHNOLOGY, AND ECONOMIC GROWTH



Congress of the United States
House of Representatives
Washington, D.C. 20515-3705

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TOLL FREE: 1 888 4-HOOLEY

Congresswoman Hooley's I-205 Widening Project

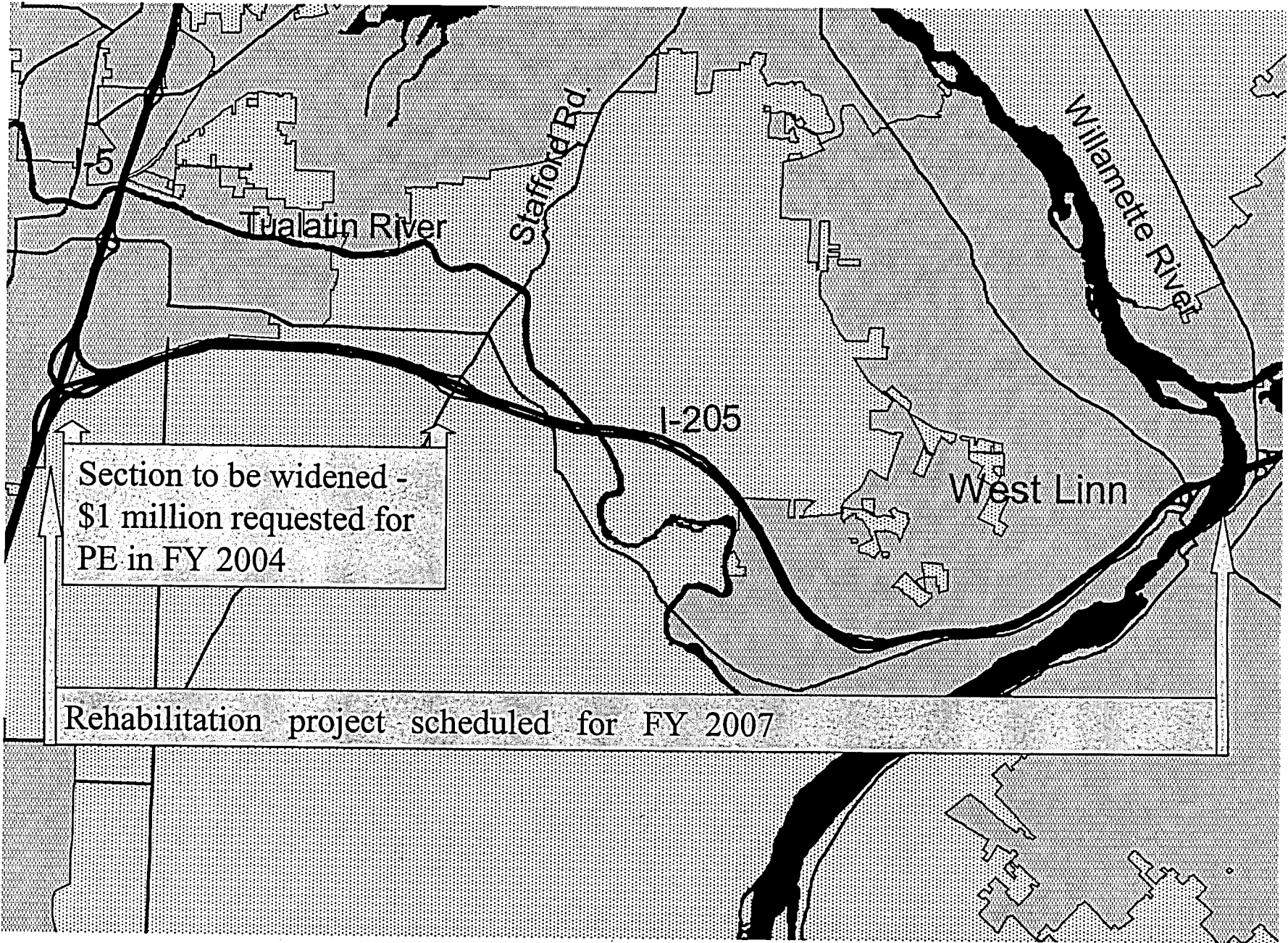
Project: Congresswoman Hooley is working to widen I-205 to 3 lanes from Stafford Road to I-5, Northbound and Southbound. This represents approximately 3 miles.

Status: ODOT currently has plans for a preservation project on I-205 from Stafford to I-5 in 2007. The current plan calls for temporary detour lanes to be built in order to minimize delays for motorists. However, ODOT is also planning for the removal of the temporary third lane when the project is complete.

Congresswoman Hooley has long recognized the need to alleviate congestion on I-205 and has actively looked for opportunities to do so. When she heard that the temporary third lane was to be removed, she took action to make it permanent. Congresswoman Hooley is pursuing an \$1 million earmark from TEA-21's Interstate Maintenance Discretionary Program for the '04 budget for preliminary engineering.

This FY '04 funding will be used to redesign the project and secure the necessary environmental approvals needed to add construction of permanent lanes to the existing preservation project. Congresswoman Hooley will work for the estimated \$8 million in additional federal funds in future appropriations bills to pay for construction of the new lanes.

Why: Approximately 80,000 vehicles pass through this intersection each day including 6,060 trucks. Usage is expected to increase to 100,000 vehicles a day within 20 years. This route serves as a principal connection to Portland International Airport for many of the high-tech industries located in the south metro area. In addition, there are major distribution centers located along I-205 (Fred Meyer, Safeway) and south I-5 (Nike, Sysco Food Services) that rely on this route.



Section to be widened -
\$1 million requested for
PE in FY 2004

Rehabilitation project scheduled for FY 2007

02003c-04

AIM High School and Metro Powell Boulevard Survey Project

February 20, 2003

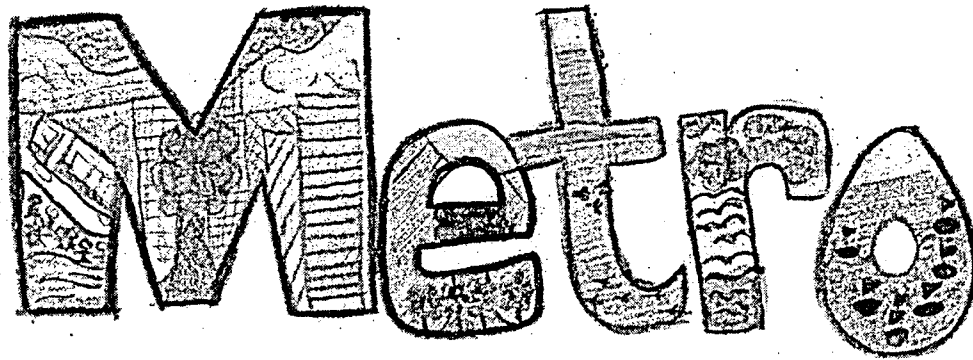
Metro Council

Project overview

- Survey project to help Metro understand the needs and preferences of community members about Powell Boulevard.
- Project took three months.
- Ultimately, we conducted 400 interviews at four elementary schools and learned lots about Powell Boulevard.

AIM High School

- High school in the David Douglas District.
- 14 AIM student participated.
- Students included:
 - Shad Boquet, Lacey Buchanan, Jaime De La Rosa, Jana Denniston, Marja Holcomb, Karina Hunt, Ashley Hutton, Kevin Mesplay, Amethyst Monken, Desiree Mott, Sara Richards, David Roake, Kai Saechao and Dani Wood.
- Shelley Washburn and Mike Paulson taught our class.



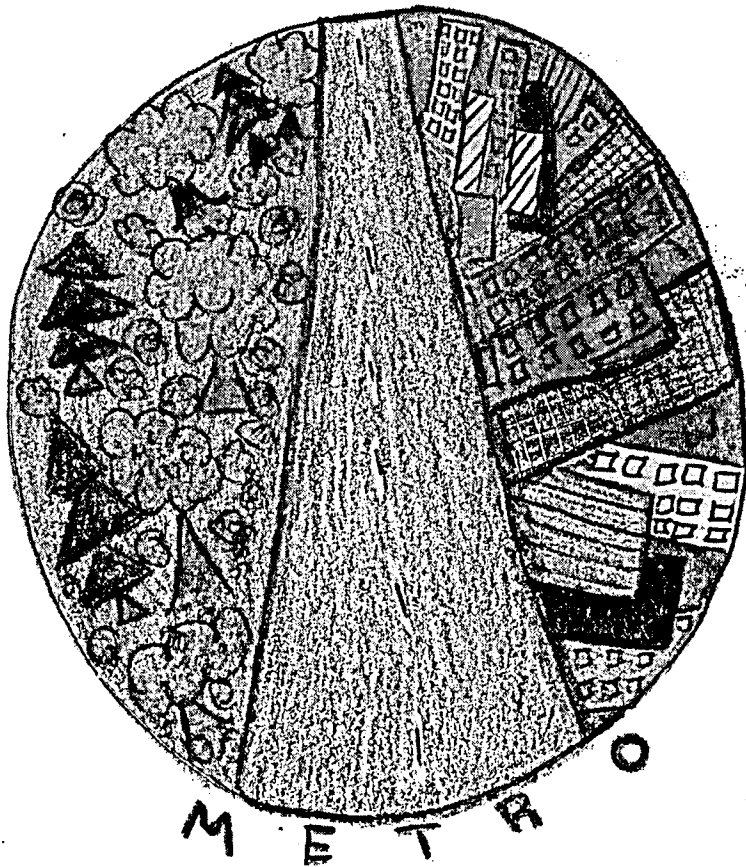
our regional government

- Serves 1.3 million people who live in Clackamas, Multnomah and Washington counties.
- Provides cities, counties and citizens a way to solve growth, transportation and land use issues.

Metro's responsibilities

- Operates the Oregon Zoo, regional parks, the Oregon Convention Center, Expo Center, solid waste facilities and hazardous waste facilities.
- Recycling education and waste management.
- Planning (land use, transportation and natural resource).

About the project



People Places
open spaces

- Metro's problem.
- Our solution.
- The survey project

Benefits

- **Benefits to Metro**
 - Find out what community members think
 - Inform community members
 - Reach Spanish speaking residents
 - Work with students
- **Benefits to AIM students**
 - Learn about career opportunities
 - Make a difference in community
 - Engage in real world learning
 - Discover and test new skills

Survey- When and Where

- Conducted on October 16, 17 and 18
- At Gilbert Heights, Gilbert Park, West Powellhurst and Earl Boyles
- Interviewed parents during parent-teacher conferences
- Surveyed over 400 people and talked with many more

Survey questions

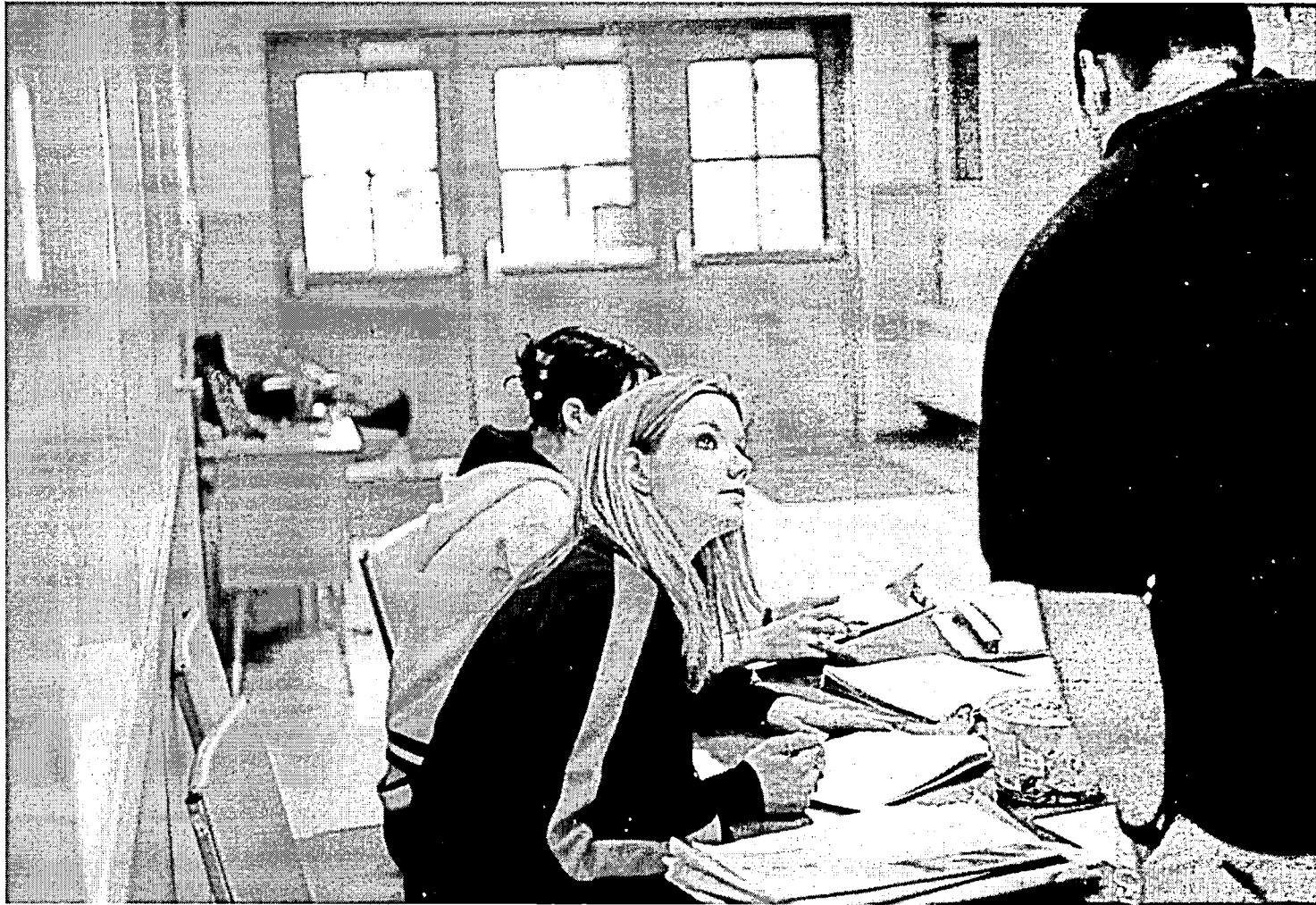
Questions about:

- Traffic flow
- Bus service
- Street design elements
- Possible improvements to Powell Boulevard

Practicing the survey

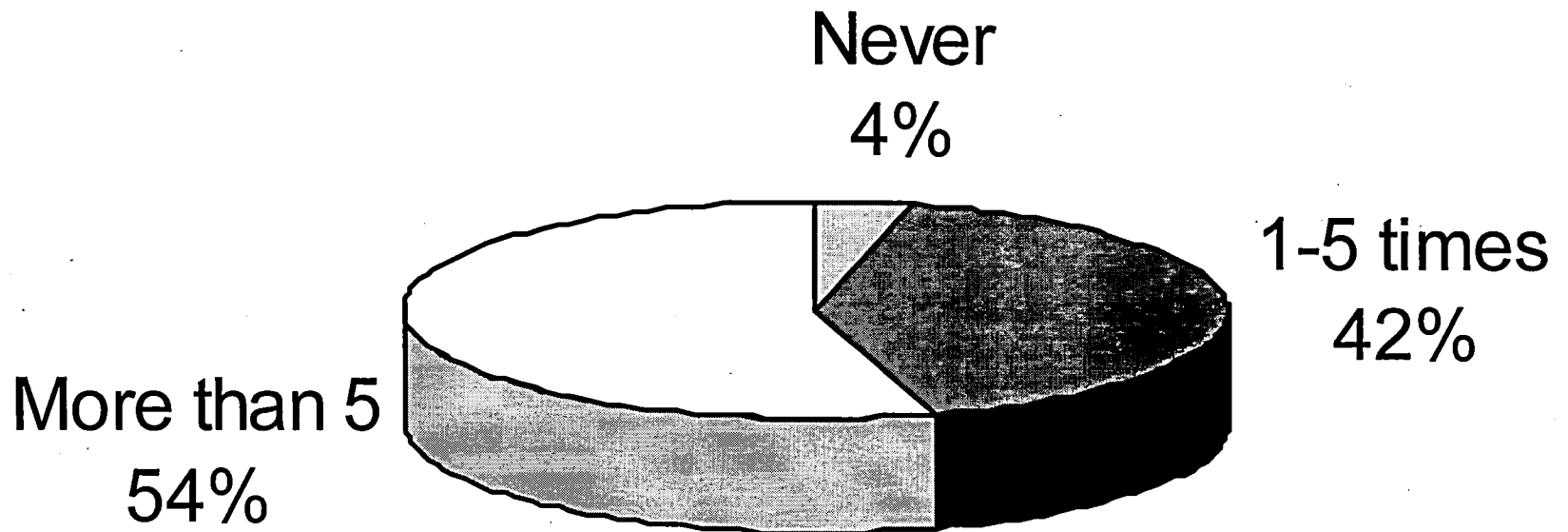


Giving the survey



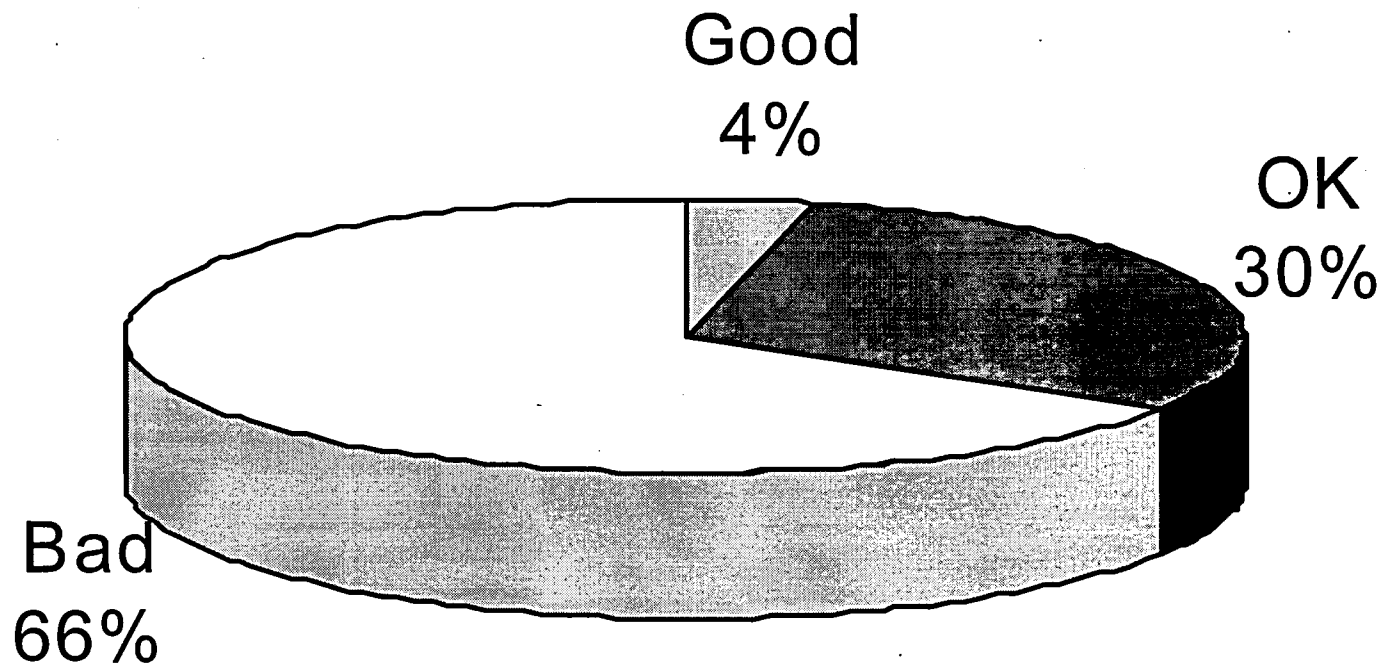
Results

How many times a week do you use Powell Boulevard?



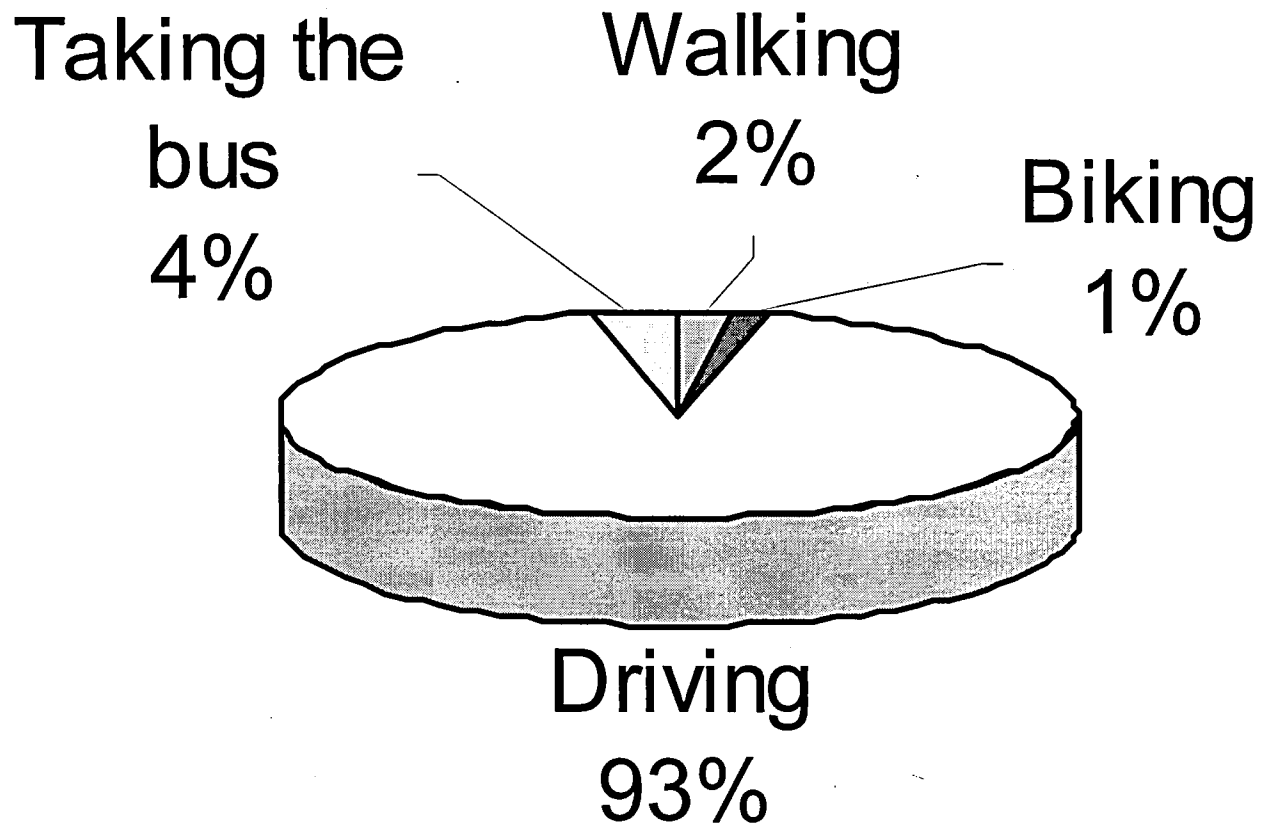
Results

How would you rate traffic on Powell Boulevard?



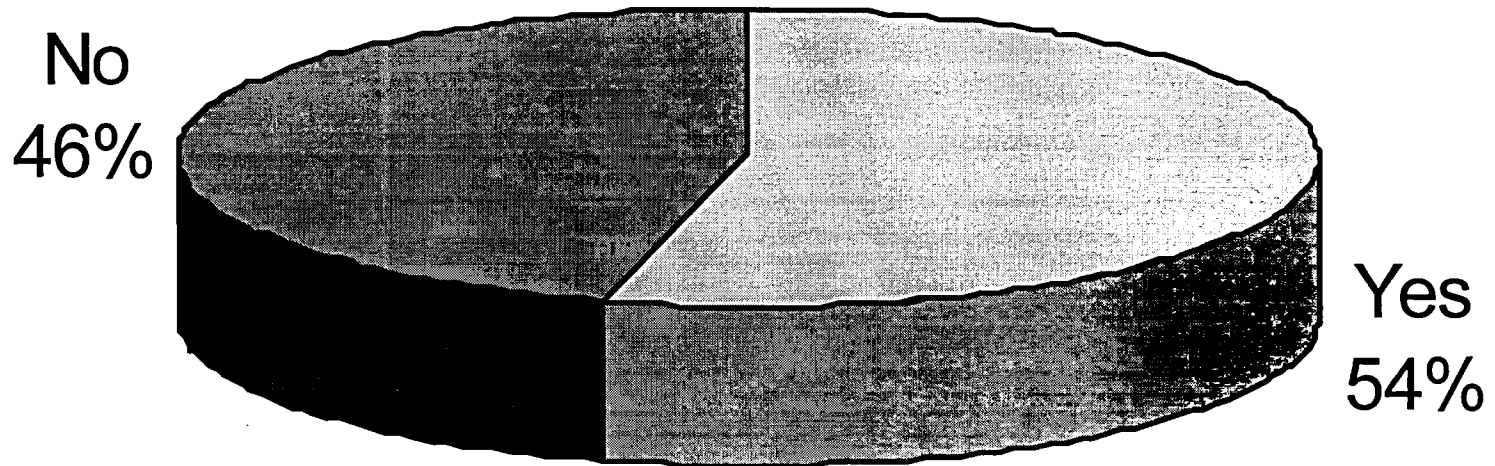
Results

What type of transportation do you use most on Powell Boulevard?



Results

Should Powell Boulevard have more frequent bus service?

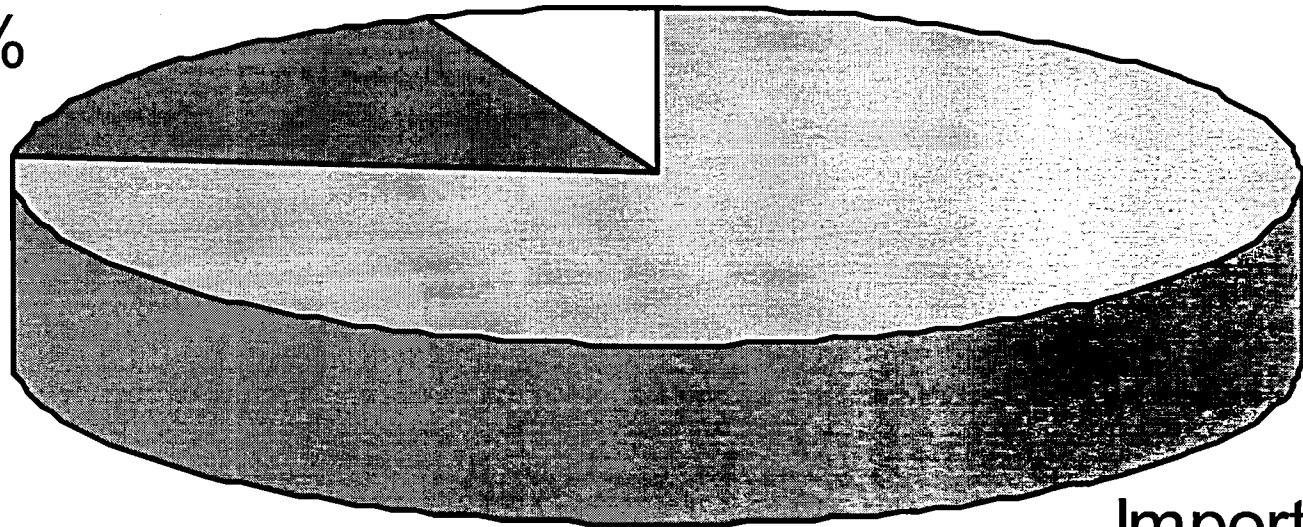


Results

How important is improving the interchange at Powell and I-205?

Somewhat
Important
18%

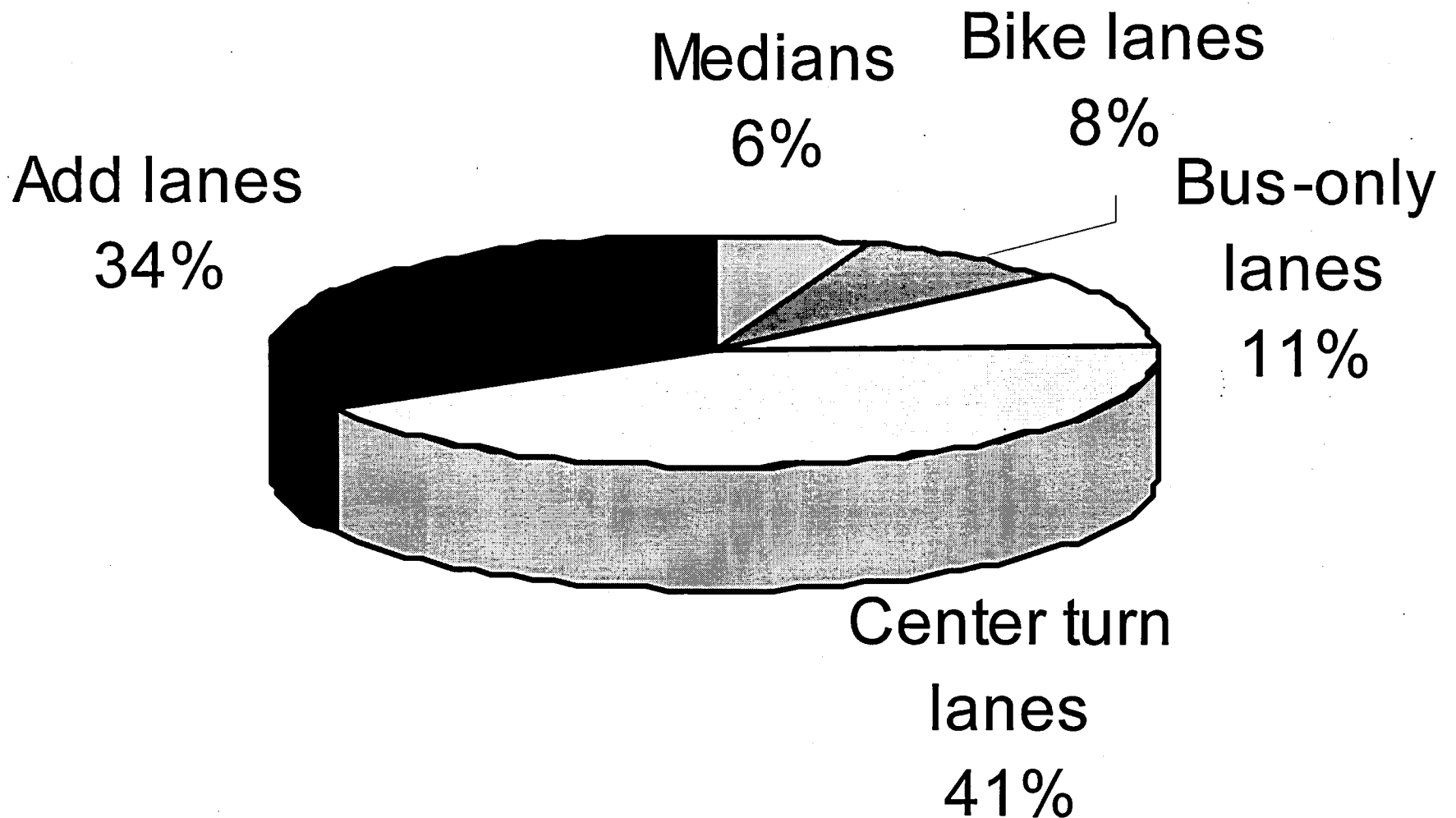
Not Important
6%



Important
76%

Results

If Powell was widened, which of the following elements should be included?



Survey conclusions

- Traffic on Powell is bad!
- An additional lane or a center turn lane on Powell is needed.
- Most people drive on Powell, but they thought that more crosswalks were needed.
- The interchange at Powell and I-205 should be improved.

Special Thanks

- Mike Paulson, teaching assistant
- Carly Fuhrman, AIM principal
- Brian Gonroff, teacher at AIM
- Metro
- Adam Davis, survey expert
- City of Portland, ODOT and Multnomah County

Questions?